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**Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2015**

ABOUT THE COVER



Johnson County Library to Re-Open Central Branch after Extensive Renovation

The Johnson County Central Resource Library was constructed in 1995 and received a new face lift inside which included increasing the Black & Veatch MakerSpace six-fold, adding a “Friends of Johnson County Library” bookstore, upgrading restrooms, heating and cooling systems, and access to power and wireless internet. Years of research, months of planning, and 280 days of construction were needed to complete the \$3.6 million project funded by Johnson County Government Public Building Commission bonds.

Facilities Improvements

Large or small, these are the often unseen and always appreciated building pieces and parts that support the Library day to day. The most visible upgrades for this major renovation; brilliant new lighting, fresh carpeting, and 60,000 square feet of bright white ceiling tiles. The floor coverings are especially welcoming considering 7.3 million pairs of feet that have crossed The Central Resource Library threshold since the 1995 opening. Up on the roof, a brand-new chiller unit the size of an 18-wheeler regulates temperature for visitors comfort. Patrons will see more electrical power outlets around the building, making it easier for those who bring their own device. The Library’s free wireless service is stronger than ever, and accessible from anywhere in the building. The Johnson County Library system offers County staff and patrons access to some of the fastest internet speeds (300 Mbps) available in the area to provide smoother video streaming, super quick downloads, and faster browsing capabilities.



New Features

Upon entering, visitors will note that some key features at the Library have been re-arranged and refinished.



The circulation desk has been moved to the right of the entrance, surrounded by more “holds” shelving and a simpler desk configuration. The returns station is easily accessible, to the left on the main corridor.

All restrooms have been updated and a family restroom has been added adjacent to the kid’s area. Glistening subway tile brightens the visitor experience.

The number of study and community rooms for free public use has been expanded. A new 24-seat conference room resides next to a 12-station computer training lab. The Carmack Community Room has doubled in size and now seats 150 people. Library card holders may schedule a meeting for not-for-profit or community groups using the online resource Reserve-A-Room. All told, the Library

provides 6,200 square feet of study rooms accommodating 315 folks. The County’s Central Resource Library has nearly 450,000 visitors each year, roughly 17% of the total of over 2.6 million patron visits across the 11 library branches located across the County.

JOHNSON COUNTY, KANSAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended
December 31, 2015

Prepared by:
Treasury and Financial Management
Accounting and Financial Reporting Division

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Johnson County, Kansas For the year ended December 31, 2015

Table of Contents

INTRODUCTORY SECTION

Letter of Transmittal	
GFOA Certificate of Achievement	7
Organizational Chart	8
Elected Officials	9
Appointed Officials	10

FINANCIAL SECTION

Independent Auditors' Report	11
Management's Discussion and Analysis	15
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	27
Statement of Activities	28
Fund Financial Statements:	
Balance Sheet-Governmental Funds	29
Reconciliation of the Balance Sheet of Governmental Funds to the	
Statement of Net Position	30
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Governmental Funds	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities	32
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – General Fund	33
Statement of Net Position – Proprietary Funds	34
Statement of Revenues, Expenses, and Changes in Fund	
Net Position – Proprietary Funds	36
Statement of Cash Flows – Proprietary Funds	37
Statement of Fiduciary Net Position – Fiduciary Funds	39
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	40
Notes to the Financial Statements	41
Required Supplementary Information	92
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	98
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds	99
Combining Balance Sheet – Nonmajor Governmental Funds – Special Revenue	100
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds – Special Revenue	102
Combining Balance Sheet – Nonmajor Governmental Funds – Debt Service	104
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds – Debt Service	105
Combining Balance Sheet – Nonmajor Governmental Funds – Capital Projects	106
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds – Capital Projects	107

Schedule of Revenues, Expenditures, and Changes in Fund Balances –	
Budget and Actual – Special Revenue Funds:	
Developmental Supports Fund	108
Library Fund	109
Stream Maintenance Fund	110
Mental Health Fund	111
Developer Fees	112
Public Health Fund	113
911 Fund	114
911 Telephone Fund	115
District Attorney Forfeited Property	116
Sheriff Forfeited Property.....	117
Controlled Substance	118
Alcohol Tax Fund	119
Prosecutor Training Fund	120
911 Wireless Telephone Fund.....	121
Weapons Licensure Fund.....	122
Schedule of Revenues, Expenditures, and Changes in Fund Balances –	
Budget and Actual – Debt Service Funds:	
Debt Service Fund.....	123
Library Special Use Fund	124
Schedule of Revenues, Expenditures, and Changes in Fund Balances –	
Budget and Actual – Nonmajor Capital Projects Funds:	
Stormwater Fund.....	125
Public Works Fund	126
County Building Fund	127
Combining Statement of Net Position – Non-Major Enterprise Funds	130
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	
Non-Major Enterprise Funds	132
Combining Statement of Cash Flows – Non-Major Enterprise Funds.....	133
Combining Statement of Net Position – Internal Service Funds	135
Combining Statement of Revenues, Expenses, and Changes in Fund	
Net Position – Internal Service Funds	136
Combining Statement of Cash Flows – Internal Service Funds.....	137
Combining Statement of Fiduciary Net Position – Employee Retirement Plan	
Trust Funds.....	140
Combining Statement of Changes in Fiduciary Net Position – Employee Retirement	
Plan Trust Funds	141
Combining Statement of Fiduciary Net Position – Agency Funds.....	142
Combining Statement of Changes in Assets and Liabilities – Agency Funds	143

STATISTICAL SECTION:

Net Position by Component.....	146
Changes in Net Position	147
Fund Balances of Governmental Funds	148
Changes in Fund Balances of Governmental Funds.....	149
Government-wide Revenues	150
Government-wide Expenses by Function	151
General Governmental Tax Revenues by Source.....	152
Property Tax Levies and Collections	153
Assessed and Estimated Actual Value of Property	154
Direct and Overlapping Property Tax Rates and Levies	156
Ratio of Net General Obligation Bonded Debt to Assessed Value and	
Net General Obligation Bonded Debt Per Capita	158

Special Assessment Billings and Collections.....	160
Legal General Obligation Debt Margin Computation.....	161
Direct and Overlapping Debt Computation	162
Ratios of Outstanding Debt by Type	164
Legal Debt Margin Information	166
Public Building Commission Revenue Bond Coverage.....	167
Demographic Statistics.....	168
Principal Taxpayers and Employers	170
Operating Indicators by Function/Program	171
Capital Asset Statistics by Function.....	172
Value of New Construction	173
Bank and Savings and Loan Deposits	174
Miscellaneous Statistics:	
Gross Sales and Sales Tax Collections	175
Payroll by Industry	176
Tax Rates for Selected Kansas Counties.....	176
Full-time Equivalent County Government Employees by Function	177
Number of Employees	178
County Road System.....	179
Johnson County Wastewater	179
Summary of Insurance in Force	180

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INTRODUCTORY SECTION

June 22, 2016

To the Honorable Chair and Commissioners of the Governing Board, and the Citizens of Johnson County:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of Johnson County, Kansas (the County), for the fiscal year ended December 31, 2015. Kansas statutes require the County to publish a complete set of annual financial statements presented in conformity with generally accepted accounting principles (GAAP) of the United States, and audited by an independent firm of licensed certified public accountants. The CAFR is prepared in accordance with GAAP and with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB), and it is audited in accordance with auditing standards generally accepted (GAAS) in the United States of America.

Accounting and Internal Controls

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Audit

The County's basic financial statements have been audited by Allen, Gibbs & Houlik, L.C., an independent firm of licensed certified public accountants that has issued an unmodified opinion that the financial statements of the County for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the County is part of a broader, federally-mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

Management's Discussion and Analysis

Generally accepted accounting principles (GAAP) in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a document titled *Management's Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of independent auditors in the *Financial Section* of this CAFR.

PROFILE OF THE COUNTY

Johnson County was organized as a county on September 7, 1857. The County was named for the Reverend Thomas Johnson, founder of the Shawnee Methodist Mission and Indian Manual Labor School in 1830. The County encompasses about 477 square miles and includes twenty incorporated cities and nine townships within its boundaries. The City of Olathe, located in the center of the County, was named as the County seat in 1858. Three major westward migration routes traversed Johnson County: the Santa Fe Trail, the Oregon Trail, and the California Road.

The highest authority in the Johnson County Government is the electorate. Voters choose the Board of County Commissioners (the Board). The Board consists of a Chairman and six district commissioners. The Chairman of the Commission is elected on a countywide basis and serves as a full-time County official. The six District Commissioners serve as part-time County officials and are elected by residents in specific geographical areas, or districts, of the County. The Board meets in regular business session once each week. The Commissioners serve staggered, four-year terms with no term limitations.

In addition to the Board of County Commissioners, the voters elect the District Attorney and the Sheriff. These positions are elected at large and serve four-year terms with no term limitations.

Johnson County government has a Council-Manager form of government. Under this form of government, the Board appoints a professional County Manager to administer a variety of County functions. The County Manager is responsible for policy implementation, budget development and implementation, and the appointment and supervision of certain department directors.

In addition to the County Manager, the Board also appoints members to serve in an advisory capacity for four agency governing boards: Airport Commission; Developmental Supports Board; Library Board; and the Parks and Recreation District Board. The governing boards for these four agencies are responsible for a number of items, including the appointment and direction of an Executive Director for their respective agency and the submission by each agency of an annual budget request to the Board of County Commissioners.

The County provides a full range of services, including public safety and judiciary, health and human services, cultural and recreational activities, and public works and transportation.

THE FINANCIAL REPORTING ENTITY

This CAFR includes the financial activities of the primary government, which also encompasses several enterprise activities, and the financial activities of the County's component units. Component units are legally separate entities for which the primary government is financially accountable, and/or legally separate organizations for which the

nature and significance of their relationship with the primary government are such that exclusion would cause the County's financial statements to be misleading or incomplete.

The Public Building Commission (PBC) is a component unit of Johnson County. The PBC Board is comprised of the same members as the Board of County Commissioners. For financial reporting purposes, the PBC's operations are presented as a blended component unit (i.e., as though it was a fund of the County).

The Parks and Recreation District (the District) is also a component unit of Johnson County. The District is governed by a seven-member board appointed by the Board of County Commissioners. The County is financially accountable for the District, because the County's Board approves the District's operating budget and levies taxes to fund the District. For financial reporting purposes, the District is shown as a discretely presented component unit.

Other independent agencies exist for schools and municipal utilities. They do not meet the definition of a component unit and are not included in this report. The County cannot impose its will on these agencies, nor is there any financial benefit or burden to the County, nor any fiscal dependency on the County by these agencies.

Budgetary Information

The Board of County Commissioners plans for the orderly operation of the County by the adoption of a balanced annual budget of anticipated revenues and expenditures, as required by Kansas statutes. It is the responsibility of all elected officials, agency directors, governing boards, and employees to exercise good stewardship in the management of public funds and resources for which they are responsible according to applicable statutes, the Board policy and priorities, and approved budgets. The County maintains an encumbrance accounting system as another method of accomplishing budgetary control.

Since budgets must be formulated well in advance of their execution, the Board recognizes that it can become necessary to amend a fund's budget. Budgets will be amended only for an emergency or other unanticipated need. In such cases, budgets will only be amended in accordance with Kansas statutes.

The statutes establish the overall legal level of control at the fund level by prohibiting expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Local Economy

Johnson County's economy has experienced nearly unprecedented growth and diversification over the last several decades and has become one of the most dynamic metro-centers in the nation's heartland. Johnson County is a thriving force in the metropolitan Kansas City area and continues to be an attractive location for both families and businesses. According to the County Economic Research Institute Inc. (CERI), Johnson County enables the State of Kansas and the Kansas City metropolitan area to successfully compete with the nation's other premier business locations, attracting investment from throughout the world.

Johnson County's population has grown dramatically in the recent decades and has become the state's largest county with an estimated population of approximately 591,000 in 2015. Johnson County has also grown in its proportion of population of both the State

of Kansas and the Kansas City region. Johnson County leads the State in population density with more than 1,200 residents per square mile.

Between 2006 and 2015, the number of full and part-time jobs increased from 279,977 to 317,137 - a 13.3% increase. At the end of 2015, Johnson County's civilian labor force totaled 317,137 members and the unemployment rate was 2.9%, as compared to the national unemployment rate of 5.3%.

The number of businesses with payroll employment in the County grew from 17,323 establishments in 2006 to 17,488 in 2015 - an increase of 165 businesses or 1%. Numerous Fortune 1,000 companies have located offices in the greater Kansas City area, with a few headquartered in Johnson County, including YRC Worldwide.

Over \$681 million dollars in Kansas State sales tax was collected in Johnson County. This amounted to approximately 25% of the state's total revenue from this source.

In 2015, Johnson County had the highest assessed valuation in the State of Kansas. The assessed valuation for Johnson County increased 6.3% from the previous year. The upturn in assessed valuations marks the third straight year of increase, after a slight downturn in 2012.

Johnson County has the lowest mill levy rate of all 105 counties in Kansas. The second lowest county in terms of mill levy rate is almost 35 percent higher than the 19.582 mills levied in Johnson County.

Long-term Financial Planning and Major Initiatives

The Board of County Commissioners has developed several strategic goals to align financial decisions for the County to the services being provided to the community. The Board is committed to be responsible stewards of the taxpayers' money, to provide the best possible mandatory and discretionary services, to build a "Community of Choice," and to advance a positive organizational work environment.

Assessed valuation, the basis for ad valorem taxes, the County's largest revenue source, grew 6.3%, a significant increase for the second year in a row. At the same time, the State of Kansas implemented a five-year phase out of the mortgage registration fee in 2014, which will ultimately cost the County over \$18 million annually. A portion of the lost fees are being negated by increased document charges for mortgage transactions.

The fiscal year 2016 budget reflects a prudent and realistic approach, with an emphasis on maintaining existing services and capital assets. Overall, the adopted budget maintains the quality of life for Johnson County residents, including a reasonable tax burden. The 2016 budget was developed in accordance with the Board of County Commissioner's strategic goals, which align financial decisions to the services provided to the community.

The Board's first goal is to be "responsible stewards of the taxpayers' money." The 2016 budget was adopted with a total mill levy of 26.595. The mill levy broken down by taxing district is 19.582 for Johnson County, 3.912 for the Library, and 3.101 for the Park and Recreation District. The Board is also committed to funding continuing operating expenditures with on-going revenue sources, to maintaining sufficient General Fund reserves for unanticipated and unusual circumstances, and to estimating revenues conservatively to avoid budget shortfalls.

The second goal for the Board is to “provide the best possible mandatory and discretionary services.” Providing quality services to residents is at the heart of what makes Johnson County government an excellent organization. The FY 2016 Budget continues to meet the needs of the community, while planning for the future. Every effort was made to preserve the quality and level of services when budget reductions were considered.

The Board’s third goal is to “build a Community of Choice where people want to live and work.” The Board’s commitment to this goal is demonstrated by allocating \$13.3 million to the County Assistance Road System (CARS), a joint partnership with local cities in 2015. Continued support to public libraries and park and recreation activities are secure in the FY 2016 Budget as well. The Park and Recreation District mill levy rose slightly to 3.101, and the Library District mill levy also rose slightly to 3.912 mills.

The fourth goal for the Board is to “empower employee innovation and productivity.” Employee pay ranges are based on market conditions and are reviewed annually to ensure the County remains competitive. Both the 2015 and 2016 budgets allocated funds for a 3.0% merit increase pool for employees. 2016 also marks the third year of a planned three-year process to implement new employee pay ranges as a result of the Total Remuneration Study authorized by the Board in 2013. The County’s benefits program continues to place an increased emphasis on wellness programs, which have been shown to reduce costs in the long range.

The long-term financial forecast reflects a wait and see approach taken by the Board in order to properly assess the impacts of the mortgage registration legislation phase out. Future budgets will likely require additional revenues as well as potential expenditure reductions to accommodate the full impact of the lost revenue. Uncertainty in state funding, needed improvement to the existing courthouse, and attention to quality of life priorities in libraries and parks are a few of the major initiatives facing the Board and the community. Significant capital expenditures are anticipated for Wastewater as the Board and staff evaluate whether to continue to send substantial flow to Kansas City for treatment or to undertake a large-scale expansion to the Tomahawk plant.

The County’s tax base is forecasted to increase slightly in each of the next five years. The mill levy was increased to 19.582 in FY 2015 in order to offset the mortgage registration phase out, but the multi-year projections show no future increases through FY 2020. The projections are based on maintaining the County’s service levels as well as the General Fund reserves.

Using a conservative revenue estimation approach, the County’s major revenue sources are estimated to reflect a steadily growing economy of recovery with solid increases in property, sales, and use taxes. Expenditure assumptions project 1) minimal increases to service delivery in FY 2016 through FY 2020, and 2) no changes in legislation occurring which impact County expenditures.

Relevant Financial Policies

The County’s policy is to fund on-going expenditures with on-going revenues. For 2016, the adopted General Fund budget includes the use of reserves for one-time capital and operating expenditures. Through carefully controlling expenditures in tandem with modest revenue increases, the projected fund balance for the year ending December 31, 2016 is anticipated to be approximately \$62.5 million, or 21.3% of the General Fund revenues (excluding intra-fund transfers and the General Fund cost allocations), in line with County policy of a reserve calculated to be from 20% to 25% of revenues.

The revised Reserves Policy approved by the Board of County Commissioners took effect in 2013. In keeping with that policy, reserves are projected to decline from 21.3% in FY 2016 to 20.0% in FY 2020.

Awards and Acknowledgements:

The Government Finance Officers Association (GFOA) awarded its *Certificate of Achievement for Excellence in Financial Reporting* to the County for its Comprehensive Annual Financial Report for the year ended December 31, 2014. This was the twenty-eighth consecutive year the County applied for and received this prestigious award. In order to be awarded a *Certificate of Achievement*, the government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. A *Certificate of Achievement* is valid for a period of one year only. We believe that the 2015 Comprehensive Annual Financial Report continues to meet the *Certificate of Achievement* program requirements, and we will submit it to GFOA to determine its eligibility for certification.

In addition, the County also received the GFOA's *Distinguished Budget Award* for its annual Capital and Operating Budgets document for the fiscal year beginning January 1, 2016. The County has received this award twenty-six times. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Our appreciation is extended to the Board of County Commissioners for their continued support in maintaining the highest standards for financial reporting. Our gratitude is also expressed to the various elected officials, agency and department heads, as well as employees responsible for contributing to the sound financial position of Johnson County. In particular, special thanks are extended to all Treasury and Financial Management staff for their contributions to this year's Comprehensive Annual Financial Report. Special gratitude is due to the Accounting staff of Treasury and Financial Management: Deputy Director Kevin Hiskey, Accounting and Financial Reporting Manager Julie Highfill, Senior Accountants Jim Longmire, Lisa Yu, and Curtis Yates, and Accountants Gary Doggett and Jerry Verhulst; for their hours of commitment to excellence. We would also like to acknowledge the accounting firm of Allen, Gibbs & Houlik, L.C. for their review and comments in the preparation of this report.

Thomas G. Franzen, CTP, CPFO
Director of Treasury and
Financial Management

Hannes Zacharias
County Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Johnson County
Kansas**

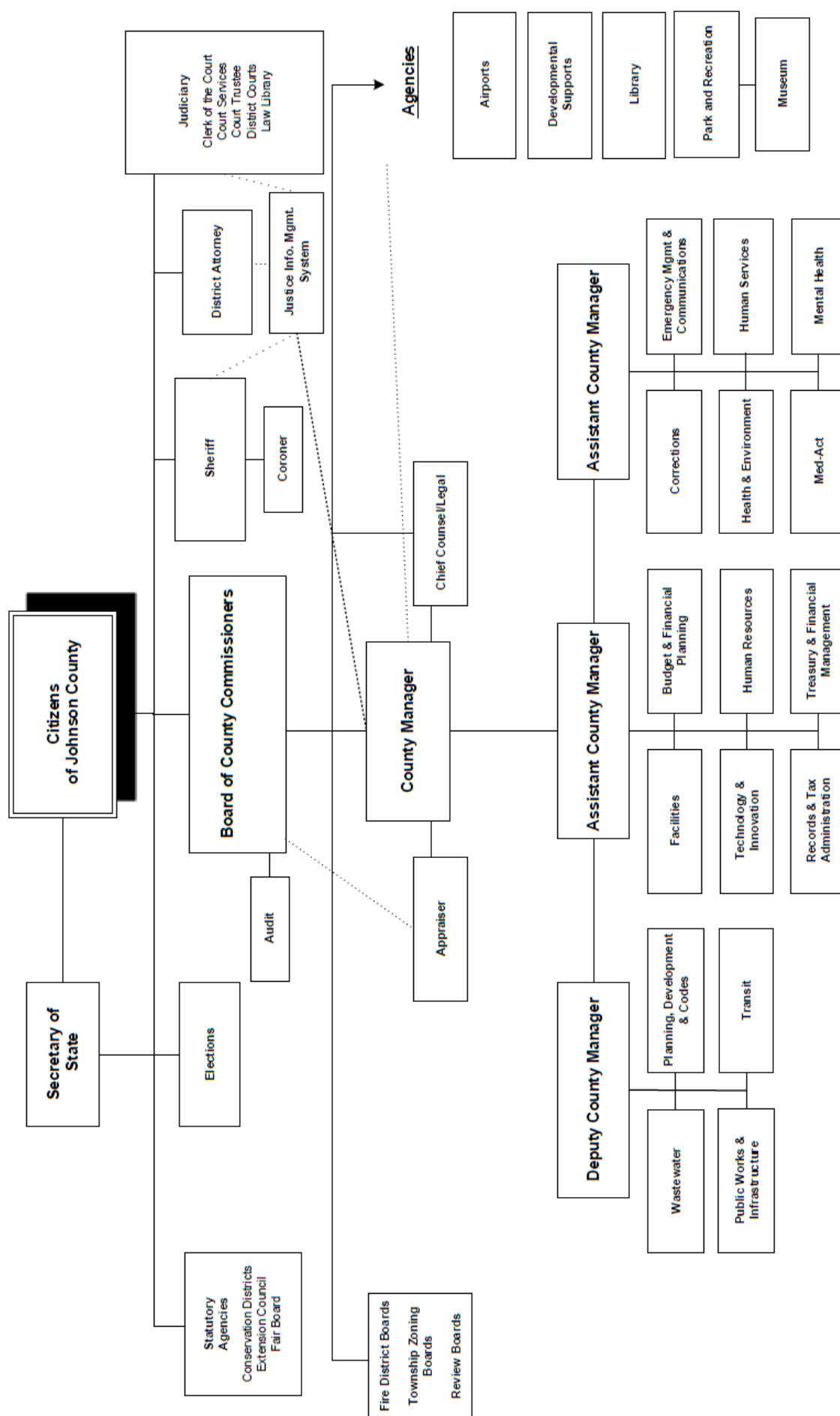
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014



Executive Director/CEO

Johnson County Organization Chart



Elected Officials

As of December 31, 2015

Board of County Commissioners	<u>Length of Service</u>	<u>Term Expires</u>	<u>Position</u>
Ed Eilert	7 years	2019	Chairman
Ronald L. Shaffer	1 year	2019	1st District
James P. Allen	5 years	2017	2nd District
Steven C. Klika	2 years	2017	3rd District
Jason L. Osterhaus	3 years	2019	4th District
Michael L. Ashcraft	3 years	2019	5th District
John Toplikar	6 years	2017	6th District

<u>Elected Officials</u>			
Frank Denning	10 years	2017	Sheriff
Stephen M. Howe	5 years	2017	District Attorney

Appointed Officials as of December 31, 2015

Appointed Officials	Position	Length of Service to Johnson County	Other Government Service
Hannes Zacharias	County Manager	14 years	24 years
Penny Postoak Ferguson	Deputy County Manager	6 years	9 years
Maury Thompson	Assistant County Manager	24 years	3 years
Joe Waters	Bureau Chief	21 years	6 years
Don Jarrett	Director of Legal Services/Chief Counsel	30 years	N/A
Ted McFarlane	Chief of Emergency Medical Service	15 years	27 years
Paul Welcome	County Appraiser	24 years	12 years
Ken Kleffner	County Auditor	8 years	N/A
Sean Casserley	County Librarian	4 years	N/A
Scott Neufeld	Director of Budget and Financial Planning	21 years	8 years
Elizabeth Gillespie	Director of Corrections	9 years	34 years
Ellen Wernicke - Interim	Director of Emergency Management & Communications	18 years	N/A
Brad Reinhardt	Director of Facilities	1 year	N/A
Lougene Marsh	Director of Health and Environmental	7 years	26 years
Becky Salter	Director of Human Resources	8 years	11 years
Deborah Collins	Director of Human Services	30 years	N/A
Mindi Love	Director of Museum	17 years	5 years
Jill Geller	Director of Parks and Recreation	35 years	N/A
Dean Palos	Director of Planning	27 years	11 years
Brian Pietig	Director of Public works & Infrastructure/County Engineer	16 years	2.5 years
John Bartolac	Director of Records and Tax Administration	22 years	12 years
Joe Waters - Interim	Director of Technology & Innovation	21 years	6 years
Penny Postoak Ferguson	Director of Transportation	6 years	9 years
Tom Franzen	Director of Treasury and Financial Management/County Treasurer	17 years	N/A
Vacant	Election Commissioner	N/A	N/A
Colin McKee	Executive Director of Airports	3 years	5 years
Chad VonAhnen	Executive Director of Developmental Supports	3 years	N/A
Tim DeWeese	Executive Director of Mental Health	15 years	5 years
John O'Neil	Wastewater General Manager	27 years	9 years

FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Notes to the Financial Statements**

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Johnson County, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Johnson County, Kansas (County) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Johnson County, Kansas, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 12 to the financial statements, on January 1, 2015, the County adopted Government Accounting Standards Board Statement No. 68: Accounting and Financial Reporting for Pensions and Government Accounting Standards Board Statement No. 71: Pension Transition for Contributions Made Subsequent to the Measurement Date. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2016 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

June 22, 2016
Wichita, Kansas

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Johnson County, Kansas (the County) Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$528,733,813 (net position). Of this amount, \$64,138,511 (unrestricted net position) may be used to meet the County's on-going obligations to citizens and creditors.
- The County's total net position decreased by \$171,442,574 during the fiscal year due to the implementation of GASB 68.
- As of December 31, 2015, the County's governmental funds reported combined ending fund balances of \$191,946,968. Approximately 86% of this total amount, \$164,396,674, is available to meet the County's current and future needs.
- At the close of the current fiscal year, fund balance for the County's primary operating fund, the General Fund, was \$71,857,839 or 26% of total general fund expenditures of \$273,993,710. Approximately 93% of this total amount, \$67,045,163 is available to meet the County's current and future needs.
- The County's total bonded debt increased by \$46,395,000 (8%) during the current fiscal year. This was due to the issuance of debt for various Johnson County Wastewater projects and the Public Building Commission Arts and Heritage Center project.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components: 1) **Government-wide** financial statements, 2) **Fund** financial statements and 3) **Notes** to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Net position is measured as the difference between (a) assets and deferred outflows of

resources and (b) liabilities and deferred inflows of resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public works, public safety, health and human services, planning and economic development, and culture and recreation. The business-type activities of the County include an airport, wastewater treatment, transportation operations and the Public Building Commission.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate Parks and Recreation District for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize their status as legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from those of the primary government. The Parks and Recreation District is reported as a discretely presented component unit.

Included within the business-type activities of the government-wide financial statements are the operations of the Johnson County Public Building Commission (PBC). Although legally separate from the County, this component unit is blended with the primary government for the following reasons: the County is financially accountable for the PBC, the PBC has substantially the same governing board as the County, and the PBC provides services entirely to the County. Accordingly, the PBC is reported as an enterprise fund of the primary government.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into the following three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements (i.e., most of the County's basic services are reported in governmental funds). However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as

well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances both provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains several individual governmental funds organized according to their type (general, special revenue, debt service, and capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Capital Projects Fund, both of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary funds are generally used to account for services for which the County charges customers. These customers include both external customers and internal units or departments of the County. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The County maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the operations of its airport, transportation operations, wastewater services and the Public Building Commission. The proprietary fund financial statements provide separate information for Johnson County Wastewater and for the PBC, both of which are considered to be major funds of the County.
- **Internal Service funds** are used to report activities that provide supplies and services for certain County programs and activities. The County uses internal service funds to account for its risk management, self-insured health care, and fleet services. Because these services predominantly benefit governmental rather than business-type functions, they have been included with *governmental activities* in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. The County's agency funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the County's own programs, they are *not* reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the basic financial statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's and the Parks and Recreation District Component Unit's progress in funding their other postemployment benefits other than pensions (OPEB) obligations to their employees.

The combining statements referred to earlier in connection with non-major governmental funds, non-major proprietary funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information on OPEB obligations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Johnson County's Net Position						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets:						
Current and other assets	\$ 443,601,376	\$ 417,165,112	\$ 275,998,169	\$ 212,743,553	\$ 719,599,545	\$ 629,908,665
Capital assets	165,180,672	166,907,931	769,067,408	765,712,090	934,248,080	932,620,021
Total assets	608,782,048	584,073,043	1,045,065,577	978,455,643	1,653,847,625	1,562,528,686
Deferred Outflow s	9,362	13,691	434,602	3,104	443,964	16,795
Liabilities:						
Long-term liabilities outstanding	196,634,952	40,625,231	666,080,953	606,141,232	862,715,905	646,766,463
Other liabilities	41,821,485	34,945,919	21,963,166	15,845,853	63,784,651	50,791,772
Total liabilities	238,456,437	75,571,150	688,044,119	621,987,085	926,500,556	697,558,235
Deferred Inflow s	210,151,835	163,548,640	2,080,655	1,262,219	212,232,490	164,810,859
Net position:						
Net investment in						
capital assets	160,687,243	157,858,064	264,692,277	271,565,758	425,379,520	429,423,822
Restricted	25,687,857	28,621,041	13,527,925	8,837,462	39,215,782	37,458,503
Unrestricted	(13,016,692)	158,487,839	77,155,203	74,806,223	64,138,511	233,294,062
Total net position	\$ 173,358,408	\$ 344,966,944	\$ 355,375,405	\$ 355,209,443	\$ 528,733,813	\$ 700,176,387

Analysis of Net Position. As noted earlier, net position may serve as a useful indicator of a government's financial position. For the County, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$528,733,813 at the close of the current fiscal year.

The largest portion of the County's net position (61%) reflects its investment of \$425,379,520 in capital assets (e.g. land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the County's net position, \$39,215,782 (6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$64,138,511 (12%) may be used to meet the government's ongoing obligations to citizens and creditors.

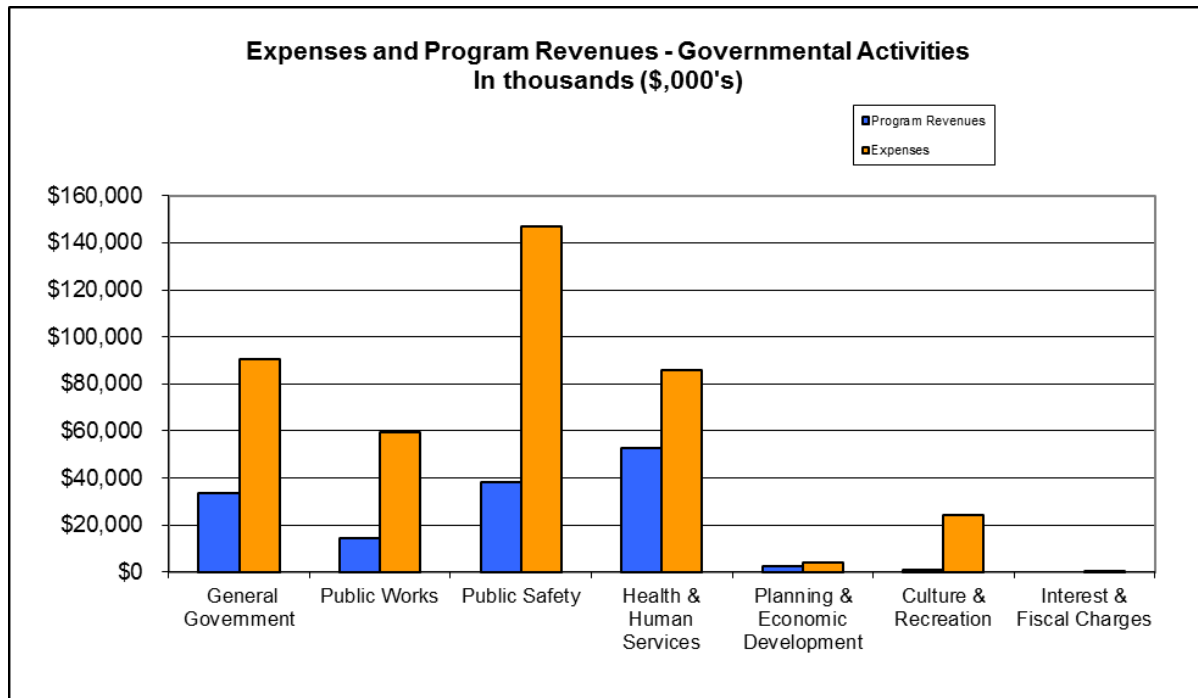
The following table reflects the revenues and expenses for the County's activities for the year ended December 31, 2015, and illustrates the comparison between 2015 and the prior year:

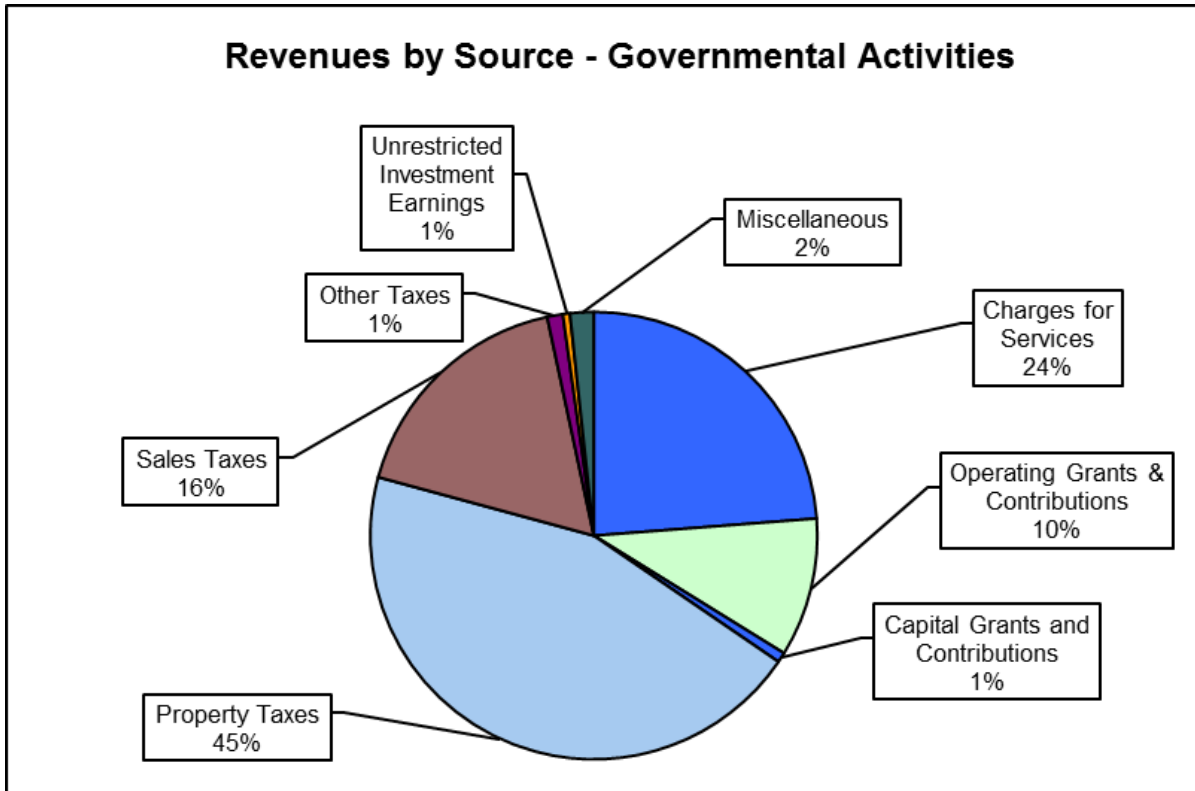
Johnson County's Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 97,735,702	\$ 98,495,796	\$ 124,508,754	\$ 120,732,841	\$ 222,244,456	\$ 219,228,637
Operating grants and contributions	41,223,381	40,289,209	2,095,768	4,789,411	43,319,149	45,078,620
Capital grants and contributions	2,972,374	1,439,262	7,507,114	1,900,898	10,479,488	3,340,160
General revenues:						
Property taxes	183,662,657	174,290,627	668	28	183,663,325	174,290,655
Sales taxes	71,633,771	70,202,538	-	-	71,633,771	70,202,538
Other taxes	4,648,964	4,543,089	-	-	4,648,964	4,543,089
Unrestricted investment earnings	2,102,754	3,123,281	435,744	1,046,645	2,538,498	4,169,926
Miscellaneous	7,038,072	7,105,196	-	362,226	7,038,072	7,467,422
Total revenues	411,017,675	399,488,998	134,548,048	128,832,049	545,565,723	528,321,047
Expenses, net of indirect cost allocation:						
General government	80,955,337	84,752,060	-	-	80,955,337	84,752,060
Public works	59,249,723	70,282,323	-	-	59,249,723	70,282,323
Public safety	146,857,219	143,590,007	-	-	146,857,219	143,590,007
Health and human services	85,770,155	82,471,422	-	-	85,770,155	82,471,422
Planning and economic development	3,867,702	3,801,534	-	-	3,867,702	3,801,534
Culture and recreation	24,241,704	23,580,048	-	-	24,241,704	23,580,048
Interest on long term debt	215,013	302,620	-	-	215,013	302,620
Airport	-	-	12,871,533	7,856,910	12,871,533	7,856,910
Johnson County Wastewater	-	-	92,733,867	82,301,237	92,733,867	82,301,237
Transportation	-	-	9,458,715	11,582,625	9,458,715	11,582,625
Public Building Commission	-	-	21,436,647	18,165,278	21,436,647	18,165,278
Total expenses	401,156,853	408,780,014	136,500,762	119,906,050	537,657,615	528,686,064
Increase (decrease) in net position before transfers	9,860,822	(9,291,016)	(1,952,714)	8,925,999	7,908,108	(365,017)
Transfers	(7,868,012)	(4,516,910)	7,868,012	4,516,910	-	-
Change in net position	1,992,810	(13,807,926)	5,915,298	13,442,909	7,908,108	(365,017)
Net position - 1/1/15	344,966,944	358,774,870	355,209,443	341,766,534	700,176,387	700,541,404
Prior period adjustments	(173,601,346)	-	(5,749,336)	-	(179,350,682)	-
Net position - beginning of year restated	171,365,598	358,774,870	349,460,107	341,766,534	520,825,705	700,541,404
Net position - 12/31/15	\$ 173,358,408	\$ 344,966,944	\$ 355,375,405	\$ 355,209,443	\$ 528,733,813	\$ 700,176,387

Analysis of Changes in Net Position.

Governmental Activities

During the current fiscal year, the County's net position related to governmental activities decreased by \$171,608,536, compared with 2014. GASB Statements Nos. 68 and 71 were implemented during 2015, requiring the County to record its proportionate share of the Kansas Public Employees Retirement System (KPERS) collective net pension liability.

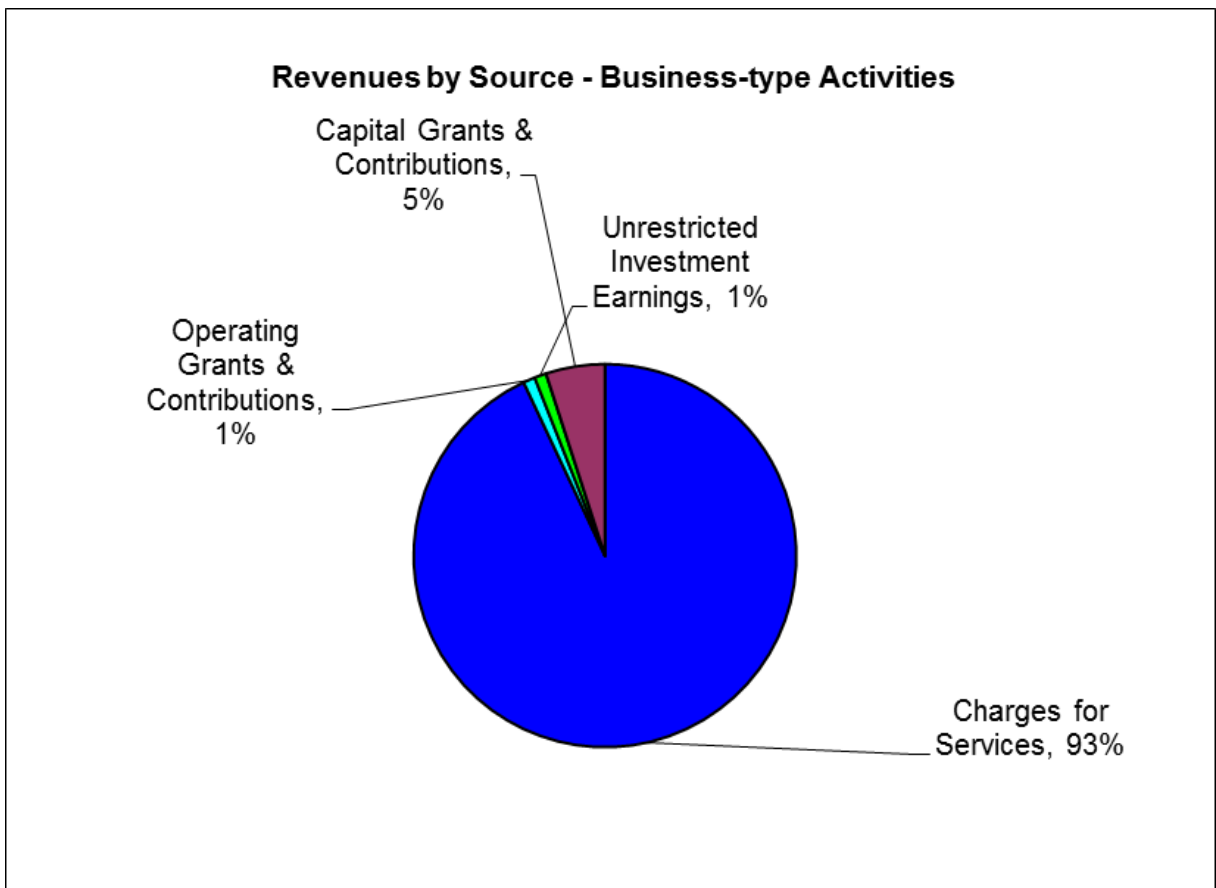
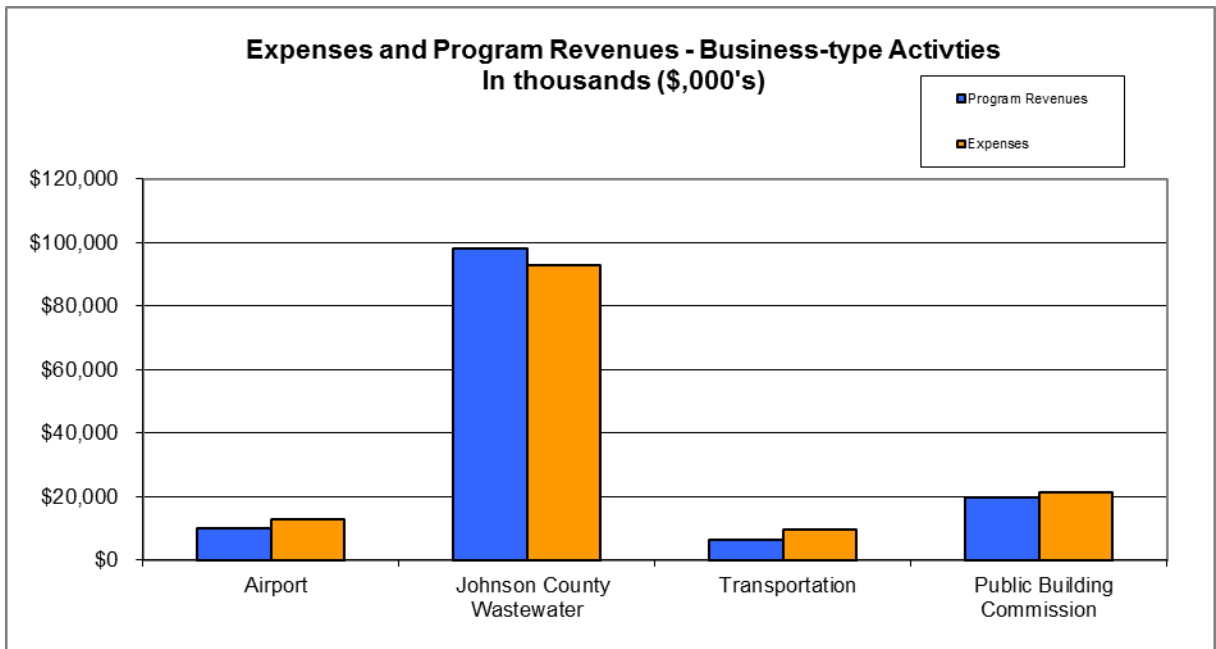




The chart above illustrates the County's governmental expenses and revenues by function, and revenues by source. As shown, public safety is the largest function in expense (36%), followed by general government (22%), health and human services (21%), and public works (14%). General revenues such as property, business, and sales taxes are not shown by program, but are effectively used to support program activities countywide. For governmental activities overall, without regard to program, property taxes is the largest single source of funds (45%), followed by charges for services (24%) and sales taxes (16%).

Business-type Activities

During the current fiscal year, the County's net position related to business-type activities increased by \$5,915,298, down from an increase of \$13,442,909 in net position for 2014. Charges for services and capital grants and contributions both increased by \$3,775,913 and \$5,606,216 respectively, but expenses for Wastewater increased by \$10,432,630. Expenses for Airport also increased by \$5,014,623 year-over-year due to runway and taxiway construction. Total revenues were \$135 million and total expenses were \$137 million, with transfers from the General Fund making up the additional \$8 million of the net position increase.



The charts above and on the previous page illustrate the County's business-type activities' expenses and revenues by department, and its revenues by source. As expected, the primary source of revenue for business-type activities results from charges for services.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the County include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$191,946,968, a decrease of \$5,680,089 from the prior year. Approximately 86% of this total amount, or \$164,396,674 constitutes fund balance that is available to meet the County's current and future needs. The remainder of the fund balance totaling \$27,550,294 is either non-spendable or restricted for specific spending; including \$1,862,437 "not in spendable form" for items that are not expected to be converted to cash such as inventories and prepaid items, and \$25,687,857 restricted for programs at various levels.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the available fund balance of the general fund was \$67,045,163, while total fund balance was \$71,857,839. As a measure of the general fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures. Available fund balance represents 25% of total general fund expenditures of \$273,993,710, while total fund balance represents 26% of that same amount.

The fund balance in the County's general fund has decreased by \$1,105,216 during the current fiscal year. Total revenue in the general fund was \$282,423,790, an increase of \$16,228,781 over the previous year. Total expenditures increased slightly in the areas of general government and public safety, and were less than total revenues received.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the business-type activities at the end of the year amounted to \$77,155,203. The total change in net position for Johnson County Wastewater was \$5,191,960 and \$1,893,318 for the Public Building Commission, respectively. The increases in net position for Johnson County Wastewater and Public Building Commission are primarily due to the increases in charges for services and capital contributions, respectively.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was no variance between the original budget and the final budget. Actual revenues were below the final budget by \$7,958,985. Due to the County's effective budget controls expenditures were \$76,500,024 less than budgeted, which resulted in a positive variance of \$68,440,685 in the General Fund. A summary of the significant differences between budgetary estimates for revenues and expenditures is as follows:

- Intergovernmental revenues were \$9,881,733 less than expected as the County received fewer federal and state grant funds.
- General fund reserves of \$64,234,874 remain available at the end of 2015.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The County's investment in capital assets for its governmental and business type activities as of December 31, 2015 amounted to \$934,248,080 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways and bridges.

Johnson County's Capital Assets (net of depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 24,404,861	\$ 26,007,011	\$ 9,738,854	\$ 6,451,123	\$ 34,143,715	\$ 32,458,134
Buildings	38,377,363	40,616,726	388,221,843	295,445,563	426,599,206	336,062,289
Improvements other than buildings	2,187,662	2,367,227	287,256,075	204,077,731	289,443,737	206,444,958
Machinery and equipment	8,424,940	6,986,590	21,948,021	21,321,821	30,372,961	28,308,411
Infrastructure	39,176,740	33,003,826	1,897,049	1,918,345	41,073,789	34,922,171
Construction in progress	52,609,106	57,926,551	60,005,566	236,497,507	112,614,672	294,424,058
Total	\$ 165,180,672	\$ 166,907,931	\$ 769,067,408	\$ 765,712,090	\$ 934,248,080	\$ 932,620,021

Additional information on the County's capital assets can be found in Note 5 of this report.

Long-Term Debt. At the end of the current fiscal year, the County had total long-term bonded debt outstanding of \$612,514,998. This amount was comprised of \$364,805,623 of general obligation and \$3,570,000 of special obligation debt backed by the full faith and credit of the County. Special Assessment debt in the amount of \$19,375 is debt for which the County is liable in the event of default by the property owners subject to the assessment. The remainder of the County's debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Johnson County's Outstanding Debt General Obligation and Revenue Bonds						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 770,000	\$ 1,575,000	\$ 364,035,623	\$ 350,670,778	\$ 364,805,623	\$ 352,245,778
Special obligation bonds	3,570,000	4,400,000	-	-	3,570,000	4,400,000
Special assessment debt	-	-	19,375	24,220	19,375	24,220
Revenue bonds	-	-	244,120,000	209,450,000	244,120,000	209,450,000
Total	\$ 4,340,000	\$ 5,975,000	\$ 608,174,998	\$ 560,144,998	\$ 612,514,998	\$ 566,119,998

The County's total long-term debt increased by \$46,395,000 during the fiscal year. This was mainly due to the issuance of debt for various Johnson County Wastewater and Public Building Commission projects.

Johnson County is one of approximately 40 counties in the United States to earn the "Triple A" designation from Standard & Poor's, Moody's, and Fitch Ratings. The County maintains an AAA rating from Standard & Poor's, an Aaa rating from Moody's, and an AAA from Fitch Ratings for general obligation debt. The Public Building Commission, a blended component unit of the County, maintains an AAA rating from Standard and Poor's, and an Aaa rating from Moody's for revenue bonds.

Statutes limit the amount of general obligation debt a governmental entity may issue to 3% of its total assessed valuation. The current debt limitation for the County is \$722,645,201, which is significantly in excess of the County's outstanding general obligation debt. Detailed information on the County's debt limit can be found in the Statistical Section of this report.

Additional information on the County's long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

Johnson County continues to be an attractive location for both families and businesses. According to the U.S. Census, the County's population increased from 514,813 in 2006 to 590,604 in 2015 (an increase of 75,791 or 15%). On average, the County's population grows by approximately 6,316 persons per year, or 526 per month. Unemployment rates are currently at 2.9% as compared to a national level of 5.3% and a state level of 4.2%.

The AAA rating referenced above continues to reflect the County's:

- Diverse and expanding local economy, participating in the larger Kansas City Metropolitan Statistical Area;
- Above-average wealth levels;
- Strong financial operations supported by conservative management and established fiscal policies; and
- Moderate debt levels that should remain manageable through on-going planning.

All of these factors were considered in preparing the County's budget for 2016. At the end of 2015, the unrestricted fund balance in the general fund is \$67,045,163.

In December 2014, the Board approved an Interlocal Cooperation Agreement with the Kansas City Area Transportation Authority (KCATA) for Transit Management and Administration, for fiscal years 2015 and 2016. This is intended to provide better integration of route and service planning and delivery, long term.

In March of 2015, the Board approved a capital project in the amount of \$21.9 million to convert the former King Louie building into the Arts and Heritage Center.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Treasury and Financial Management, 111 South Cherry Street, Suite 2400, Olathe, Kansas 66061. The County's Comprehensive Annual Financial Report and financial publications can be found on the internet at <http://www.jocogov.org/sites/default/files/documents/TRE/CAFR-2015.pdf>. Separately issued financial statements for the discretely presented component unit, the Parks and Recreation District, may be obtained at 7900 Renner Road, Lenexa, Kansas 66218.

BASIC FINANCIAL STATEMENTS

Johnson County, Kansas
Statement of Net Position
December 31, 2015

	PRIMARY GOVERNMENT			Component Unit
	Governmental Activities	Business Type Activities	Total	Park and Recreation
ASSETS				
Deposits including investments	\$ 226,326,769	\$ 92,592,445	\$ 318,919,214	\$ 15,221,876
Receivables (net of allowance for uncollectibles):	215,094,930	12,771,030	227,865,960	26,920,120
Inventories	1,569,816	91,627	1,661,443	48,821
Prepays	609,742	139,243	748,985	278,207
Restricted cash and investments	119	170,403,824	170,403,943	15,113,733
Capital assets (net of accumulated depreciation):				
Land	24,404,861	9,738,854	34,143,715	57,451,035
Buildings	38,377,363	388,221,843	426,599,206	22,800,699
Improvements other than buildings	2,187,662	287,256,075	289,443,737	15,487,910
Machinery and equipment	8,424,940	21,948,021	30,372,961	1,538,792
Infrastructure	39,176,740	1,897,049	41,073,789	340,026
Construction in progress	52,609,106	60,005,566	112,614,672	7,634,942
TOTAL ASSETS	608,782,048	1,045,065,577	1,653,847,625	162,836,161
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferred outflow	12,925,294	434,602	13,359,896	892,186
Unamortized portion of refunding	9,362	-	9,362	482,696
TOTAL DEFERRED OUTFLOWS OF RESOURCES	12,934,656	434,602	13,369,258	1,374,882
LIABILITIES				
Accounts payable	20,662,721	13,456,672	34,119,393	815,605
Salaries and wages payable	8,030,555	560,171	8,590,726	695,984.00
Accrued liabilities	9,980,522	59,571	10,040,093	-
Interest payable	49,150	7,136,106	7,185,256	439,404
Unearned revenue	3,098,537	750,646	3,849,183	1,091,109
Customer deposits payable	-	-	-	29,575
Noncurrent liabilities				
Due within one year	2,697,950	33,512,019	36,209,969	4,493,180
Due in more than one year	193,937,002	632,568,934	826,505,936	40,557,696
TOTAL LIABILITIES	238,456,437	688,044,119	926,500,556	48,122,553
DEFERRED INFLOWS OF RESOURCES				
Property tax receivable	192,137,550	-	192,137,550	26,108,180
Deferred revenue - grants revenue	2,069,046	-	2,069,046	-
Capital Finance Charges Receivable	-	366,046	366,046	-
Pension deferred inflow	15,695,263	442,179	16,137,442	644,217
Unamortized portion of refunding	-	1,272,430	1,272,430	-
TOTAL DEFERRED INFLOWS OF RESOURCES	209,901,859	2,080,655	211,982,514	26,752,397
NET POSITION				
Net investment in capital assets	160,687,243	264,692,277	425,379,520	72,016,209
Restricted for:				
Technology Management	4,943,888	-	4,943,888	-
Public works	5,463,739	-	5,463,739	-
Law Enforcement	11,150,434	-	11,150,434	-
Community Support Services	2,969,933	-	2,969,933	-
Planning and Economic Development	2,423	-	2,423	-
Libraries, Recreation, and Education	-	-	-	5,832,240
Capital projects	-	13,527,925	13,527,925	2,491,081
Debt service	1,157,440	-	1,157,440	60,296
Unrestricted	(13,016,692)	77,155,203	64,138,511	8,936,267
TOTAL NET POSITION	\$ 173,358,408	\$ 355,375,405	\$ 528,733,813	\$ 89,336,093

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Activities
For the Year Ended December 31, 2015

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Indirect Expenses Allocation	Charges for Service	Operating Grants and Contributions		Primary Government			
				Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Park and Recreation	
Primary Government:									
Governmental Activities:									
General government	\$ 113,432,544	\$ (32,477,207)	\$ 33,371,731	\$ 42,706	\$ -	\$ (47,540,900)	\$ -	\$ (47,540,900)	\$ -
Public works	58,303,256	946,467	951,310	10,504,611	2,935,332	(44,858,470)	-	(44,858,470)	-
Public safety	127,595,752	19,261,467	32,948,929	5,424,203	15,999	(108,468,088)	-	(108,468,088)	-
Health and human services	77,734,970	8,035,185	27,485,922	25,103,913	21,043	(33,159,277)	-	(33,159,277)	-
Planning and economic development	3,342,605	525,097	2,292,267	-	-	(1,575,435)	-	(1,575,435)	-
Culture and recreation	24,005,758	235,946	685,543	147,948	-	(23,408,213)	-	(23,408,213)	-
Interest on long term debt	215,013	-	-	-	-	(215,013)	-	(215,013)	-
Total governmental activities	404,629,898	(3,473,045)	97,735,702	41,223,381	2,972,374	(259,225,396)	-	(259,225,396)	-
Business Type activities:									
Airport	12,635,912	235,621	6,026,109	-	3,960,183	-	(2,885,241)	(2,885,241)	-
Johnson County Wastewater	89,927,860	2,806,007	97,445,862	630,249	-	-	5,342,244	5,342,244	-
Transportation	9,027,298	431,417	1,432,946	1,229,675	3,546,931	-	(3,249,163)	(3,249,163)	-
Public Building Commission	21,436,647	-	19,603,837	235,844	-	-	(1,596,966)	(1,596,966)	-
Total business type activities	133,027,717	3,473,045	124,508,754	2,095,768	7,507,114	-	(2,389,126)	(2,389,126)	-
Total Primary Government	\$ 537,657,615	\$ -	\$ 222,244,456	\$ 43,319,149	\$ 10,479,488	(259,225,396)	(2,389,126)	(261,614,522)	-
Component unit:									
Park and Recreation	\$ 32,195,248	\$ -	\$ 16,516,592	\$ 182,808	\$ 6,772,951				(8,722,897)
General revenues:									
Property taxes						183,662,657	668	183,663,325	20,984,916
Sales taxes						71,633,771	-	71,633,771	-
Other taxes						4,648,964	-	4,648,964	23,312
Unrestricted investment earnings						2,102,754	435,744	2,538,498	24,535
Miscellaneous						7,038,072	-	7,038,072	25,945
Transfers						(7,868,012)	7,868,012	-	-
Total general revenue and transfers						261,218,206	8,304,424	269,522,630	21,058,708
Change in net position						1,992,810	5,915,298	7,908,108	12,335,811
Net position - beginning						344,966,944	355,209,443	700,176,387	85,600,026
Prior period adjustments						(173,601,346)	(5,749,336)	(179,350,682)	(8,599,744)
Net position - beginning of year restated						171,365,598	349,460,107	520,825,705	77,000,282
Net position - ending						\$ 173,358,408	\$ 355,375,405	\$ 528,733,813	\$ 89,336,093

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Balance Sheet
Governmental Funds
December 31, 2015

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Deposits including investments	\$ 72,386,408	\$ 93,007,769	\$ 34,330,446	\$ 199,724,623
Receivables (net of allowance for uncollectibles):	138,747,004	1,197,893	75,084,035	215,028,932
Inventories	652,403	-	657,859	1,310,262
Prepays	368,505	23,341	160,329	552,175
Restricted cash and investments	-	-	119	119
Total assets	<u><u>\$ 212,154,320</u></u>	<u><u>\$ 94,229,003</u></u>	<u><u>\$ 110,232,788</u></u>	<u><u>\$ 416,616,111</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,746,073	\$ 9,888,651	\$ 1,000,525	\$ 14,635,249
Salaries and wages payable	5,722,459	-	2,266,766	7,989,225
Due to others	4,736,791	-	2,745	4,739,536
Unearned revenue	1,930,766	-	1,167,771	3,098,537
Total liabilities	<u>16,136,089</u>	<u>9,888,651</u>	<u>4,437,807</u>	<u>30,462,547</u>
Deferred Inflows of Resources:				
Property tax receivable	122,644,314	-	69,493,236	192,137,550
Unavailable revenue - grants revenue	1,516,078	-	552,968	2,069,046
Total deferred inflows of resources	<u>124,160,392</u>	<u>-</u>	<u>70,046,204</u>	<u>194,206,596</u>
Fund Balances:				
Nonspendable	1,020,908	23,341	818,188	1,862,437
Restricted	3,791,768	-	21,896,089	25,687,857
Committed	3,555,804	84,317,011	380,619	88,253,434
Assigned	3,356,758	-	12,653,881	16,010,639
Unassigned	60,132,601	-	-	60,132,601
Total fund balances	<u>71,857,839</u>	<u>84,340,352</u>	<u>35,748,777</u>	<u>191,946,968</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 212,154,320</u></u>	<u><u>\$ 94,229,003</u></u>	<u><u>\$ 110,232,788</u></u>	<u><u>\$ 416,616,111</u></u>

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
**Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position**
December 31, 2015

Total fund balance - all governmental funds	\$ 191,946,968
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, including infrastructure, used in governmental activities are not financial resources and therefore are not reported in the funds.	165,180,672
Less Internal Services Fund Capital Assets	(1,997,549)
Other deferred outflows of resources in governmental activities are not financial resources and therefore are not reported in the governmental funds:	
Deferred outflows - pensions	12,925,294
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds:	
Interest Payable	\$ (49,150)
Bonds:	
General obligation, net of unamortized premium of \$71,562, and deferred refundings of \$9,362	(832,201)
Special obligation	(3,570,000)
Compensated absences	(18,165,170)
Other post employment benefits	(12,132,333)
Voluntary Retirement Incentive Package	(561,763)
Capital lease obligations	(91,228)
Net pension liability	(161,272,895)
Total	(196,674,740)
Less Internal Services Fund Long Term Debt	659,174
Other deferred inflows of resources does not increase net position until a future period and therefore are not reported in the funds:	
Deferred inflows - pensions	(15,695,263)
Internal service funds are used by management to charge costs of risk management and self-insured health care to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	17,013,852
Net position of governmental activities	<u><u>\$ 173,358,408</u></u>

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 174,356,446	\$ -	\$ 85,586,835	\$ 259,943,281
Intergovernmental	20,129,377	2,935,332	21,131,046	44,195,755
Charges for services	78,523,350	-	20,677,472	99,200,822
Investment earnings	1,613,965	30,075	342,357	1,986,397
Licenses and permits	2,024,955	-	1,457,988	3,482,943
Other	5,775,697	152,679	1,034,696	6,963,072
Total revenues	<u>282,423,790</u>	<u>3,118,086</u>	<u>130,230,394</u>	<u>415,772,270</u>
EXPENDITURES				
Current:				
General government	84,199,491	4,983,314	280,274	89,463,079
Public works	-	28,360,887	10,414,436	38,775,323
Public safety	140,339,335	794,776	4,152,648	145,286,759
Health and human services	23,342,456	435,406	61,730,237	85,508,099
Planning and economic development	3,840,415	-	-	3,840,415
Culture and recreation	1,145,756	532,286	21,554,006	23,232,048
Debt service:				
Principal retirement	2,900,000	-	1,635,000	4,535,000
Interest and fiscal charges	37,794	-	209,523	247,317
Capital outlay	18,188,463	5,867,039	1,524,452	25,579,954
Total expenditures	<u>273,993,710</u>	<u>40,973,708</u>	<u>101,500,576</u>	<u>416,467,994</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,430,080</u>	<u>(37,855,622)</u>	<u>28,729,818</u>	<u>(695,724)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,993,437	35,334,945	2,745,370	40,073,752
Transfers out	(11,528,733)	(1,085,223)	(32,444,161)	(45,058,117)
Total other financing sources and uses	<u>(9,535,296)</u>	<u>34,249,722</u>	<u>(29,698,791)</u>	<u>(4,984,365)</u>
Net change in fund balances	<u>(1,105,216)</u>	<u>(3,605,900)</u>	<u>(968,973)</u>	<u>(5,680,089)</u>
Fund balances - beginning	<u>72,963,055</u>	<u>87,946,252</u>	<u>36,717,750</u>	<u>197,627,057</u>
Fund balances - ending	<u>\$ 71,857,839</u>	<u>\$ 84,340,352</u>	<u>\$ 35,748,777</u>	<u>\$ 191,946,968</u>

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2015

Net change in fund balances - all governmental funds \$ (5,680,089)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital assets exceeded depreciation in the current period.

Capital Outlay	\$ 11,079,727	
Depreciation Expense	<u>(7,155,335)</u>	
Net change		3,924,392

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and other similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Retirement	4,535,000
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Net gain (loss) on disposal of capital assets and infrastructure. (6,392,758)

The net change in accrued interest on general obligation bonds is not a current source or use of financial resources and therefore not reported in the governmental funds.	53,317
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Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	658,687
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OPEB expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(663,625)
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Payment of pension contributions is an expenditure in the governmental funds, but reduces the net pension liability in the statement of net position. Additionally, the effect of changes in deferred inflows and deferred outflows for the pensions are only recorded in the statement of activities.	9,558,482
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Internal service funds are used by management to charge costs of risk management and self-insured health care to the individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	(4,000,596)
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Changes in net position of governmental activities	\$ 1,992,810
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The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 173,723,685	\$ 173,723,685	\$ 174,356,446	\$ 632,761
Intergovernmental	30,011,110	30,011,110	20,129,377	(9,881,733)
Charges for services	78,004,807	78,004,807	78,523,350	518,543
Investment earnings	2,904,907	2,904,907	1,703,012	(1,201,895)
Licenses and permits	2,081,502	2,081,502	2,024,955	(56,547)
Other	3,741,314	3,741,314	5,771,200	2,029,886
Total revenues	<u>290,467,325</u>	<u>290,467,325</u>	<u>282,508,340</u>	<u>(7,958,985)</u>
EXPENDITURES				
Current:				
General government	87,506,371	87,506,371	87,341,476	164,895
Public safety	146,975,439	146,975,439	139,780,297	7,195,142
Health and human services	27,831,807	27,831,807	23,328,087	4,503,720
Planning and economic development	4,002,361	4,002,361	3,838,991	163,370
Culture and recreation	1,141,374	1,141,374	1,145,821	(4,447)
Capital outlay	18,741,553	18,741,553	18,541,383	200,170
Reserves	64,234,874	64,234,874	-	64,234,874
Total expenditures	<u>350,433,779</u>	<u>350,433,779</u>	<u>273,976,055</u>	<u>76,457,724</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(59,966,454)</u>	<u>(59,966,454)</u>	<u>8,532,285</u>	<u>68,498,739</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,885,636	1,885,636	1,993,437	107,801
Transfers out	(11,362,878)	(11,362,878)	(11,528,733)	(165,855)
Total other financing sources and uses	<u>(9,477,242)</u>	<u>(9,477,242)</u>	<u>(9,535,296)</u>	<u>(58,054)</u>
Net change in fund balances	<u>(69,443,696)</u>	<u>(69,443,696)</u>	<u>(1,003,011)</u>	<u>\$ 68,440,685</u>
Fund balances - beginning	<u>69,443,696</u>	<u>69,443,696</u>	<u>71,414,473</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,411,462</u>	

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Major		Non-Major Total	Total	
	Wastewater	Public Building Commission			
ASSETS					
Current assets:					
Deposits including investments	\$ 78,992,254	\$ 2,471,965	\$ 11,128,226	\$ 92,592,445	\$ 26,602,146
Receivables (net of allowance for uncollectibles):	10,375,938	131,299	2,263,793	12,771,030	65,998
Inventories	91,627	-	-	91,627	259,554
Prepaid items	139,243	-	-	139,243	57,567
Total current assets	89,599,062	2,603,264	13,392,019	105,594,345	26,985,265
Noncurrent assets:					
Restricted cash and investments	104,863,003	63,133,408	2,407,413	170,403,824	-
Capital assets:					
Land	655,258	2,148,094	6,935,502	9,738,854	-
Buildings	139,098,673	356,592,658	16,823,335	512,514,666	-
Improvements other than buildings	419,786,716	6,823,421	40,851,094	467,461,231	102,861
Machinery and equipment	253,306,847	-	24,072,606	277,379,453	2,429,107
Construction in progress	53,659,671	2,923,559	3,422,336	60,005,566	1,836
Infrastructure	-	-	2,216,671	2,216,671	-
Less accumulated depreciation	(437,628,795)	(74,244,906)	(48,375,332)	(560,249,033)	(536,255)
Total capital assets	428,878,370	294,242,826	45,946,212	769,067,408	1,997,549
Total noncurrent assets	533,741,373	357,376,234	48,353,625	939,471,232	1,997,549
TOTAL ASSETS	623,340,435	359,979,498	61,745,644	1,045,065,577	28,982,814
DEFERRED OUTFLOWS OF RESOURCES					
Pension deferred outflow	405,365	-	29,237	434,602	-

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Major				
	Wastewater	Public Building Commission	Non-Major Total	Total	
LIABILITIES					
Current liabilities					
Accounts payable	11,224,225	443,721	1,788,726	13,456,672	6,027,472
Salaries and wages payable	520,252	-	39,919	560,171	41,330
Interest payable	4,075,562	3,011,333	49,211	7,136,106	-
Loans payable	2,078,172	-	-	2,078,172	-
Due to others	963	-	58,608	59,571	-
Unearned revenue	725,970	-	24,676	750,646	-
Compensated absences	92,552	-	7,175	99,727	6,436
Voluntary retirement healthcare benefits	-	-	-	-	561,763
Insurance claims payable	-	-	-	-	5,240,986
Bonds, capital leases, and other payables	17,883,965	12,960,000	490,155	31,334,120	-
Total current liabilities	36,601,661	16,415,054	2,458,470	55,475,185	11,877,987
Noncurrent liabilities:					
Compensated absences	1,308,148	-	101,426	1,409,574	90,975
Loans payable	17,002,058	-	-	17,002,058	-
Pension obligation	5,078,552	-	366,290	5,444,842	-
Bonds, capital leases, and other payables	365,511,193	238,142,868	5,058,399	608,712,460	-
Total noncurrent liabilities	388,899,951	238,142,868	5,526,115	632,568,934	90,975
TOTAL LIABILITIES	425,501,612	254,557,922	7,984,585	688,044,119	11,968,962
DEFERRED INFLOWS OF RESOURCES					
Capital Finance Charges Receivable	366,046	-	-	366,046	-
Pension deferred inflow	412,433	-	29,746	442,179	-
Unamortized portion of refunding	680,574	586,510	5,346	1,272,430	-
TOTAL DEFERRED INFLOWS OF RESOURCES	1,459,053	586,510	35,092	2,080,655	-
NET POSITION					
Net investment in capital assets	122,128,160	102,171,805	40,392,312	264,692,277	1,997,549
Restricted for capital projects	8,457,251	2,663,261	2,407,413	13,527,925	-
Unrestricted	66,199,724	-	10,955,479	77,155,203	15,016,303
TOTAL NET POSITION	\$ 196,785,135	\$ 104,835,066	\$ 53,755,204	\$ 355,375,405	\$ 17,013,852

Johnson County, Kansas
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Major		Non-Major		
	Wastewater	Public Building Commission	Total	Total	
Operating revenues:					
Charges for services	\$ 97,284,496	\$ 19,603,837	\$ 4,669,171	\$ 121,557,504	\$ 44,962,976
Other	161,366	-	2,789,884	2,951,250	85,668
Total operating revenues	97,445,862	19,603,837	7,459,055	124,508,754	45,048,644
Operating expenses:					
Public works	54,341,479	-	-	54,341,479	-
Transportation	-	-	18,880,061	18,880,061	-
Fleet	-	-	-	-	2,477,304
Risk management	-	-	-	-	3,605,579
Self-insured health care	-	-	-	-	43,732,141
Depreciation	25,518,706	8,847,237	3,332,501	37,698,444	181,683
Total operating expenses	79,860,185	8,847,237	22,212,562	110,919,984	49,996,707
Operating income (loss)	17,585,677	10,756,600	(14,753,507)	13,588,770	(4,948,063)
Nonoperating revenues (expenses):					
Taxes	-	-	668	668	2,111
Investment earnings	553,527	(117,951)	168	435,744	116,357
Intergovernmental	630,249	235,844	1,229,675	2,095,768	29,411
Interest expense	(12,541,941)	(8,219,335)	(102,227)	(20,863,503)	-
Other	(331,741)	(4,370,075)	(15,459)	(4,717,275)	75,000
Total nonoperating revenues (expenses)	(11,689,906)	(12,471,517)	1,112,825	(23,048,598)	222,879
Income (loss) before contributions and transfers	5,895,771	(1,714,917)	(13,640,682)	(9,459,828)	(4,725,184)
Capital Contributions					
Transfers in	-	3,608,235	7,507,114	11,115,349	-
Transfers out	9,120	-	4,963,588	4,972,708	755,835
	(712,931)	-	-	(712,931)	(31,247)
Change in net position	5,191,960	1,893,318	(1,169,980)	5,915,298	(4,000,596)
Total net position - beginning	196,955,738	102,941,748	55,311,957	355,209,443	21,014,448
Prior period adjustments	(5,362,563)	-	(386,773)	(5,749,336)	-
Total net position - beginning as restated	191,593,175	102,941,748	54,925,184	349,460,107	21,014,448
Total net position - ending	\$ 196,785,135	\$ 104,835,066	\$ 53,755,204	\$ 355,375,405	\$ 17,013,852

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds				
	Major		Public		Total					
	Wastewater	Building Commission	Non-Major							
			Total							
\$	97,355,174	\$	20,046,132	\$	3,952,485	\$	121,353,791	\$	-	
	-		-		-		-		-	41,118,127
	(32,927,582)		-		(17,376,570)		(50,304,151)		(47,400,504)	
	(16,238,202)		-		(1,383,219)		(17,621,422)		(2,036,595)	
	161,366		-		2,789,884		2,951,250		3,930,517	
	48,350,756		20,046,132		(12,017,420)		56,379,468		(4,388,455)	
Net cash provided by (used for) operating activities										
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:										
	-		-		668		668		2,111	
	-		-		-		-		75,000	
	630,249		235,844		1,229,675		2,095,768		29,411	
	9,120		-		4,963,588		4,972,708		755,835	
	(712,931)		-		-		(712,931)		(31,247)	
	(73,562)		235,844		6,193,931		6,356,213		831,110	
Net cash provided by (used for) noncapital financing activities										
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:										
	-		3,608,235		7,507,114		11,115,349		-	
	(20,535,523)		(9,197,182)		(7,472,977)		(37,205,682)		(943,080)	
	53,175,365		63,185,000		3,373,955		119,734,320		-	
	(44,457,399)		(28,515,000)		(405,155)		(73,377,554)		-	
	(12,520,798)		(7,994,808)		(89,932)		(20,605,538)		-	
	(24,338,355)		21,086,245		2,913,005		(339,105)		(943,080)	
Net cash provided by (used for) capital and related financing activities										
CASH FLOWS FROM INVESTING ACTIVITIES:										
	553,527		(117,951)		168		435,744		116,357	
	553,527		(117,951)		168		435,744		116,357	
Net increase (decrease) in cash and cash equivalents										
Cash and cash equivalents at beginning of year										
	159,362,891		24,355,103		16,445,955		200,163,949		30,986,214	
Cash and cash equivalents at end of year										
\$	183,855,257	\$	65,605,373	\$	13,535,639	\$	262,996,269	\$	26,602,146	
(Continued)										

(Continued)

Johnson County, Kansas
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Major		Public		Total	
	Wastewater	Building Commission	Non-Major			
			Total			
Reconciliation of operating income to net cash provided by (used for) operating activities						
Operating income (loss)	\$ 17,585,677	\$ 10,756,600	\$ (14,753,507)	\$ 13,588,770	\$ (4,948,063)	
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	25,518,706	8,847,237	3,332,501	37,698,444	181,683	
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	69,301	131,960	(716,686)	(515,425)	(20,666)	
(Increase) decrease in inventory	60,401	-	-	60,401	(16,728)	
(Increase) decrease in prepaid expenses	(19,201)	-	51,929	32,728	(624)	
(Increase) decrease in due from other funds	-	-	-	-	-	
Increase (decrease) in accounts payable	5,339,602	310,335	136,475	5,786,412	904,943	
Increase (decrease) in salaries and wages payable	65,487	-	(8,302)	57,185	7,846	
Increase (decrease) in deferred revenue	1,377	-	-	1,377	-	
Increase (decrease) in claims and judgements payable	-	-	-	-	-	
Increase (decrease) in other post employment benefits	-	-	-	-	(707,345)	
Increase (decrease) in compensated absences payable	6,349	-	(39,856)	(33,507)	(426)	
Increase (decrease) in insurance claims payable	-	-	-	-	210,925	
Increase (decrease) in pension obligation	(276,943)	-	(19,974)	(286,917)	-	
Total adjustments	30,765,079	9,289,532	2,736,087	42,790,698	559,608	
Net cash provided by (used for) operating activities	\$ 48,350,756	\$ 20,046,132	\$ (12,017,420)	\$ 56,379,468	\$ (4,388,455)	
Deposits including investments	\$ 78,992,254	\$ 2,471,965	\$ 11,128,226	\$ 92,592,445	\$ 26,602,146	
Restricted cash and investments	104,863,003	63,133,408	2,407,413	170,403,824	-	
Cash and cash equivalents at the end of year	\$ 183,855,257	\$ 65,605,373	\$ 13,535,639	\$ 262,996,269	\$ 26,602,146	

The accompanying notes are an integral part of these financial statements

Johnson County, Kansas
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2015

	Employee Retirement Plan Funds	Agency Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 632,562,913
Receivables (net of allowance for uncollectibles):		
Taxes Receivable	-	466,634,647
Investments restricted for:		
Employee retirement	35,689,756	-
Total assets	<u>35,689,756</u>	<u>1,099,197,560</u>
LIABILITIES		
Accounts payable	-	38,133
Agency obligations	-	1,099,159,427
Due to Others	66,883	-
Total liabilities	<u>66,883</u>	<u>1,099,197,560</u>
NET POSITION	<u><u>\$ 35,622,873</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2015

	Employee Retirement Plan Funds
	<hr/>
ADDITIONS	
Contributions:	
Employer	\$ 3,164,486
Total contributions	<hr/> 3,164,486 <hr/>
Investment earnings:	
Transfers	-
Interest	-
Net increase (decrease) in the fair value of investments	(2,390,270)
Total investment earnings	<hr/> (2,390,270) <hr/>
Total additions	<hr/> 774,216 <hr/>
DEDUCTIONS	
Benefits	-
Total deductions	<hr/> - <hr/>
Change in net position	774,216
Net position - beginning	34,915,540
Net position - ending	<hr/> \$ 35,689,756 <hr/>

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

1. Summary of Significant Accounting Policies

The accompanying financial statements of Johnson County, Kansas (the County) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the standard setting body for government accounting and financial reporting principles. The accounting policies of the County conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The following information summarizes the significant accounting policies of the County.

A. The Reporting Entity

The County is governed by the Board of County Commissioners (BOCC), which consists of a Chairman and six district commissioners. The Chairman of the Commission is elected on a countywide basis and serves as a full-time County official. The six District Commissioners serve as part-time County officials and are elected by residents in specific geographical areas, or districts, of the County. The Board meets in regular business session once each week. The Commissioners serve staggered, four-year terms with no term limitations.

As required by accounting principles generally accepted in the United States of America, these financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government. The primary government and each blended and discretely presented component unit all have a December 31st year end.

Blended Component Unit

Johnson County Public Building Commission (PBC): The Board of County Commissioners serves as the governing body of the PBC. Although a separate legal entity, the PBC is accounted for as an enterprise fund within the County's financial statements because its purpose is to acquire or construct facilities, and lease those facilities to the County and other governmental agencies. The County performs administrative and accounting services for the PBC.

Discretely Presented Component Unit

Johnson County Park and Recreation District (the District): The District is governed by a seven-member board appointed by the Board of County Commissioners. However, the County is financially accountable for the District because the County's commission approves the District's budget and levies taxes. The County provides some administrative and accounting services to the District. The District is legally separate from the County. Special legislation was created to provide a mechanism for the provision of park and recreational services to Johnson County through the formation of a Park and Recreation District. Such legislation required that a valid petition be submitted to a vote by the Board of County Commissioners. Once the petition was approved by the Commissioners the District was then mandated to provide park and recreational services as outlined in the Kansas Statute 19-2863. Separately issued financial statements are prepared for the District. The District has governmental and enterprise funds.

The District's financial statements include the Parks and Recreation Foundation of Johnson County (the Foundation) as a blended component unit. Although a separate legal entity, the Foundation is accounted for as an enterprise fund within the District's financial statements because its purpose is to acquire or construct facilities, and lease those facilities to the District or other park agencies.

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices:

Public Building Commission
Treasury and Financial Management
111 South Cherry Street, Suite 2400
Olathe, Kansas 66061

Park and Recreation District
7900 Renner Road
Lenexa, Kansas 66218

B. Government-wide and Fund Financial Statements

The government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct and indirect expenses that are clearly identifiable of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are allocated based on the annual Countywide Cost Allocation Plan. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions, including special assessments, that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds, which are fiduciary funds, do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within

sixty days of the end of the current fiscal year. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Licenses, interest, special assessments and charges for services and other miscellaneous revenue are all considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period. Property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing fiscal year and consequently are not subject to accrual. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

A double step-down allocation procedure has been used to distribute costs among central services and to other County departments that receive benefits. The double step-down procedure initially requires a sequential ordering of agencies. Department indirect cost allocations are then made in order selected to all benefiting programs, including cross allocations to other central services. To ensure that the cross-benefit of services among central services is fully recognized, a second step down allocation for each central service is made.

The accounts of the County are organized and operated on the basis of individual funds, each of which is defined as a separate accounting entity. The operations of each fund are recorded in a set of self-balancing accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. In accordance with state statutes and County resolutions, several different types of funds are used to record the County's financial transactions. For financial reporting, they are grouped and presented as follows:

The County reports the following major governmental funds:

The **General** fund is the principal operating fund of the County and accounts for all financial transactions of the County, except those required to be accounted for in a separate fund.

The **Capital Projects** fund accounts for financial resources to be used for the acquisition or construction of major capital improvements, other than those financed by proprietary funds.

The County reports the following major proprietary funds:

The **Johnson County Wastewater** fund provides sanitary sewer service for residential and business properties inside its service area.

The **Public Building Commission** fund accounts for all activities of the Public Building Commission.

Additionally, the County reports the following fund types:

Governmental Fund Types:

The Debt Service fund accumulates resources to pay maturing principal and interest on general long-term debt, including certain special assessments, which are general obligations of the County, excluding the debt which is accounted for in proprietary funds.

Special Revenue funds provide full budgetary accountability for the proceeds of specific revenue sources that are restricted by law or administrative action to be expended for specified purposes.

Proprietary Fund Types:

Enterprise funds account for operations of which it is the stated intent that the cost of providing a service to the public on a continuing basis be financed or recovered primarily through user charges. An example of an enterprise fund within the County is the transportation fund, which operates the bus system available to the public.

Internal Service funds provide the financing of goods or services provided to other departments of the County or to other governments on a cost reimbursement basis. An example of an internal service fund within the County is the self-insured health care fund, which is funded through employer and employee contributions and provides health care benefits to County employees.

Fiduciary Fund Types:

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They are used to account for assets held by the County as an agent for individuals, private organizations or other governmental units. An example of an agency fund within the County is the medical reimbursement fund which holds monies of those County employees who have chosen to designate certain deductions from their salary as pre-tax for the explicit purpose of medical claims or dependent care through flexible spending accounts as authorized by the IRS.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments and charges between the enterprise funds and various government funds for services provided. Elimination of these transactions would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County's enterprise and internal service funds are charges for customer services including: rent, wastewater charges, and public transportation fees. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative

expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits and Investments

Cash from all funds except for the Public Building Commission, the Park and Recreation District Component Unit, and proceeds from the sale of bonds and general obligation notes, is pooled for the purpose of increasing income through investment activities. Investments, which have a remaining maturity at time of purchase of one year or less, are stated at fair value, which approximates amortized cost. All other investments are stated at fair value as determined by quoted market prices. Investments principally consist of United States Treasury and Agency securities, certificates of deposit, and cash held in money market funds. Investment income is allocated to the designated funds on the basis of the ending monthly cash balance which is contrary to Kansas State Statutes. Investment income which is not allocated is credited to the General Fund. Interest revenue is susceptible to accrual and has been reported within these financial statements. Cash proceeds from the Public Building Commission and from the sale of bonds and general obligation notes are maintained separately and invested primarily in Government Money Market funds and United States Treasury and Agency securities.

All banks and savings associations are required to pledge to the County, the PBC and the District an aggregate market value investment in U.S. Treasury obligations, other U.S. Agency obligations and Kansas municipal bonds to provide a minimum of 100% collateralization for all deposits.

Cash and cash equivalents, for purposes of the statement of cash flows, refer to cash on hand, cash in demand accounts at financial institutions, and short-term, highly liquid investments that are readily convertible to known amounts of cash and so close to maturity that they present insignificant risk of change in value due to changes in interest rates. Because proprietary funds participate in the County's investment pool, their access is equivalent to cash and cash equivalents.

The District internally pools all investments with the exception of bond reserve funds and capital projects funds held in escrow by a trustee. Pooled investments for the District are carried at cost, which approximates fair value, and consist principally of funds held with the State of Kansas Municipal Investment Pool and a Money Market Investment with Security Bank of Kansas City.

E. Property Tax Receivable

In accordance with governing state statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing fiscal year. Taxes are assessed on a calendar year basis, and are levied and become a lien on the property on November 1st in the year of assessment. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. On December 31, 2015, such taxes are a lien on the property and are recorded as taxes receivable, net of 2.10% uncollected taxes for the current year tax roll, with a corresponding amount recorded as deferred inflows of resources.

F. Other Taxes and Revenues

Recognized state-shared taxes, such as gas tax or liquor tax, represent payments received during the current fiscal period.

Federal and state grant aid is reported as revenue when the related reimbursable expenditures are incurred. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received. Charges for services are generally susceptible to accrual and are recorded as revenue when earned.

Fees, fines, forfeitures and other revenues are generally not susceptible to accrual and are recorded when received in cash.

G. Inventories

Inventories for the County and the District are valued at cost using the first-in, first-out method. Inventories in governmental funds are recorded as expenditures when consumed. Unconsumed inventories in governmental funds are equally offset by non-spendable fund balance to indicate that portion of fund balance is not in spendable form. Inventories recorded in the proprietary funds primarily consist of maintenance and supplies. Inventories are expensed as the supplies are consumed.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

I. Restricted Assets

Certain proceeds of the County and District's bonds are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable contract covenants.

J. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County and the District as assets costing \$10,000 or more and having a useful life of five years or more. Infrastructure assets are defined by the County as assets costing \$100,000 or more and having a useful life of five years. Intangible assets are defined by the County as assets costing \$1,000,000 or more and having a useful life of five years. Interest is also included in the capitalization threshold. Capital assets are recorded at cost or estimates of the original cost. Donated assets are recorded at fair value at the date of the gift.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets may be financed from current cash or the cash proceeds received from the sale of general obligation notes, bonds or certificates of participation.

Depreciation of capital assets, including capital leases, is calculated utilizing the straight-line method over the following estimated useful lives:

Buildings and structures	15 to 50 years
Machinery and equipment	5 to 15 years
Infrastructure:	
Roads	15 to 50 years
Bridges	25 to 50 years
Other	5 to 50 years

K. Special Assessments

As required by state statutes, projects financed in whole or in part by special assessments are financed through the issuance of general obligation bonds which are secured by the full faith and credit of the County. Further, state statutes permit levying additional general ad valorem property taxes in the County Debt Service Fund to finance delinquent special assessments receivable. All non-wastewater special assessments receivable are accounted for within the Debt Service Fund. Special assessments related to Wastewater District projects are accounted for in the Wastewater Enterprise Fund.

All special assessment taxes are levied over a ten to twenty year period and the annual installments are due and payable with annual ad valorem property taxes. The County may foreclose liens against property benefited by special assessments when delinquent. For Johnson County Wastewater, receivables and corresponding revenue are recorded for special assessments.

L. Compensated Absences

The County and the Park and Recreation District (the District) permit full-time and certain part-time employees to accumulate vacation based upon tenure, with most employees limited to a maximum of 24 calendar days. Upon termination or resignation from County or the District service, employees are entitled to payment for their maximum allowable accrued vacation earned prior to termination or resignation.

All full-time and certain part-time employees of the County and the District accrue sick leave at the rate of one calendar day per month for full-time, and one-half day for part-time employees, with no maximum accumulation. Upon separation from service, employees are compensated for 20% of unused sick pay.

Vacation and sick pay are recorded as a liability at 100% of accrued vacation and 20% of accrued sick time for both the County and the District. Accrued vacation and sick pay for the County and the District is calculated using the current salary rate of employees and reflects the vested portion. In the governmental fund types, the amount of vacation and sick leave benefits included in expenditures for the current year represents the amount liquidated during the year with expendable available resources for both the County and the District. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

In proprietary funds within the County and the District, vacation and sick pay benefits are accrued when incurred, and reported as a fund liability/expense.

M. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Fund Balance Policy

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2015, fund balances for governmental funds are made up of the following:

- *Nonspendable Fund Balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.
- *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance* – includes amounts that can only be used for specific purposes determined by a formal action of the County’s highest level of decision-making authority, the County’s Board. Commitments are established by, and may only be changed or lifted by, a resolution adopted by the County’s Board.
- *Assigned Fund Balance* – comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. For this type of fund balance, it is the County’s policy that spending authority is delegated to management by the County’s Board.
- *Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

O. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is measured as the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt

that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category. Net investment in capital assets excludes unspent bond proceeds.

- *Restricted net position* reflects net position that is subject to constraints either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable enabling legislation restriction is one that a party external to a government – such as citizens, public interest groups, or the judiciary – can compel a government to honor.
- *Unrestricted net position* represents net position of the County that is not restricted for any project or purpose.

P. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenditures, expenses, and other disclosures. Accordingly, actual results could differ from those estimates.

Q. Financial Reporting of Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items that qualify for reporting in this category in the government-wide statement of net position, deferred charge on refunding and deferred outflows for pensions. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. See note 1.R for more information on the deferred outflows for pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has five types of items that qualify for reporting in this category: Property tax receivable, Capital Finance Charges receivable, deferred portion on refunding, unavailable revenue, and deferred inflows for pensions. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. Property taxes are not recognized as revenue until the period for which they are levied. The County has received resources before time requirements are met, but after all other eligibility requirements have been met, and reports them as deferred inflows of resources. Deferred inflows for pensions are reported on the government-wide statement of net position. See Note 1.R for more information on this deferred inflow.

R. Pensions

For the year ended December 31, 2015, the County implemented provisions of GASB 68, Accounting and Financial Reporting for Pensions and GASB 71, Pension Transition for Contribution Made subsequent to the Measurement Date. For purposes of measuring the net pension liability,

deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

The County is required by state statutes to adopt annual budgets for most funds. All Governmental funds, with the exception of the Library Gift and Capital Projects funds, are budgeted funds. All Enterprise funds (except PBC) and Internal Service funds (except Self-Insured Health Care) are also budgeted funds.

The District is required by state statute to adopt annual budgets for the General Fund, Employee Benefit Fund and the General Obligation Bond Retirement Fund. A statutory budget is also required for the District's Enterprise fund.

The statutes provide for the following sequence and timetable in the adoption of the legal annual Capital and Operating Budget (the budget) for both the County and the District:

1. Preparation of the preliminary budget for the succeeding calendar year on or before July 1st.
2. Publication of the proposed budget in local newspaper and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

State statutes provide that the County and the District may not legally exceed the aggregate total of budgeted expenditures in any individual fund. The legal level of budgetary control is the aggregate total at the fund level. The County Manager, without approval of the governing body, may approve transfers between individual expenditure classifications (e.g. General Government, Public Safety). No increase in total expenditure authority for a fund may be made, except through the public hearing process described below.

State statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The County and the District must first hold a public hearing to amend the budget. The governing body may amend the budget at the time of the public hearing.

All legal operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. For budgetary purposes, revenues are recognized when the revenues are both measurable and available to finance expenditures of the current fiscal period. Changes in fair value of investments are recorded for GAAP basis, but not for budgetary basis. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Encumbrances outstanding at year end are reported as part of fund balances for governmental funds and do not constitute expenditures or liabilities because the commitments will be honored in the subsequent year. Unencumbered appropriations lapse at the end of the year. Inventory is recorded as an asset for governmental fund types for GAAP basis but not for budgetary basis.

A reconciliation of revenues and expenditures/expenses under GAAP to budgeted revenues and expenditures/expenses for the Primary Government is as follows:

Reconciliation of Fund Balance	
Budgetary Basis to GAAP Basis	
for the General Fund	
Fund balance, budgetary basis	\$ 70,411,462
Investments change in fair value	(159,014)
Current Year Encumbrances	1,372,829
GAAP Contractual	(419,841)
Inventory	652,403
Fund balance, GAAP basis	<u>\$ 71,857,839</u>

3. Deposits and Investments

The County has adopted a formal investment policy. The primary objectives for investments are (in order of priority) preservation of capital and protection of principal, security of County funds and investments, maintenance of sufficient liquidity to meet operating needs, diversification of investments to avoid unreasonable or avoidable risks, and maximization of return on the investments. All available funds shall be invested in conformance with legal and administrative guidelines at the highest rates obtainable at the time of investment. Investments shall be managed in a manner responsive to the public trust and consistent with state and local law.

State statutes authorize the County to invest in United States Treasury and Agency securities, collateralized public deposits, and the State of Kansas Municipal Investment Pool, certain money market securities and funds, and investment agreements with financial institutions. The County's cash manager will apply the "prudent investor" rule, which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

State statutes authorize the District to invest in collateralized public deposits, obligations of the United States government, its agencies and instrumentalities and State of Kansas Municipal Investment Pool. Restricted assets for the District consist of investments held by the trustee for future qualified capital expenditures and bond reserve funds.

The following is a breakdown of the County's cash by fund type:

Reconciliation of Cash			
	Deposits Including	Restricted Cash	
	Investments	and Investments	Total
Government-type activities	\$ 226,326,769	\$ 119	\$ 226,326,888
Business-type activities	92,592,445	170,403,824	262,996,269
Agency funds	632,562,913	-	632,562,913
Total	\$ 951,482,127	\$ 170,403,943	\$ 1,121,886,070

A breakdown of the Park and Recreation District's cash by fund type is below:

	Governmental Activities	Business-type Activities	Total
Deposits including investments	\$ 8,863,941	\$ 6,357,935	\$ 15,221,876
Restricted cash and investments	13,638,418	1,475,315	15,113,733
Total	\$ 22,502,359	\$ 7,833,250	\$ 30,335,609

At year-end, a reconciliation of deposits and investments is as follows:

Reconciliation of Deposits and Investments		
	Primary Government	Component Unit
Cash on hand	\$ 48,075	\$ -
Carrying amount of deposits	25,787,026	1,639,677
Carrying amount of investments	1,096,050,969	28,695,932
Total deposits and investments	\$ 1,121,886,070	\$ 30,335,609
Deposits including investments	\$ 951,482,129	\$ 15,221,876
Restricted cash and investments	170,403,941	15,113,733
Total deposits and investments	\$ 1,121,886,070	\$ 30,335,609

As of December 31, 2015, the County had the following investments:

Johnson County's Schedule of Investments at December 31, 2015				
	Interest Rates	Maturities	Par Value	Fair Value
County Investments:				
Money Market Mutual Funds	0.01%	On demand	\$ 28,892,887	\$ 28,892,887
Certificate of Deposit	0.18-1.11%	02/9/2016-09/18/2017	30,000,000	30,000,000
Kansas Municipal Investment Pool			6,980	6,980
Treasury Securities - Coupon	0.92%	05/15/17	10,000,000	9,993,750
Federal Agency Discount Notes:				
Federal Home Loan Bank	0.093-0.431%	01/15/2016-04/15/2016	516,500,000	516,444,171
Federal Farm Credit Bank	0.63%	07/11/2016	4,000,000	3,986,788
Federal Home Loan Mtge Corp	0.40-0.421%	04/08/2016-06/13/2016	8,000,000	7,987,627
Federal National Mtge Association	0.141-0.612%	01/14/2016-12/9/2016	80,000,000	79,920,265
Federal Agency Issues - Coupon:				
Federal Farm Credit Bank	0.826-1.774%	12/27/2016-03/21/2019	95,000,000	94,607,631
Federal Home Loan Bank	0.251-1.539%	05/26/2016-02/12/2019	72,600,000	72,453,118
Federal Home Loan Mtge Corp	0.797-1.757%	11/1/2016-09/11/2018	53,635,000	53,408,136
Federal National Mtge Association	0.441-1.632%	03/3/2016-03/29/2019	81,800,000	81,308,319
Total County Investments			\$ 980,434,867	\$ 979,009,672
Funds held with Trustee (Restricted for Refunded Debt):				
Debt securities				117,041,297
Total Investments				\$ 1,096,050,969

The maturities of the County's investments as of December 31, 2015, were classified as shown below:

Johnson County's Schedule of Investments at December 31, 2015			
	Investment Maturities in Years		
	Fair Value	Less than 1	1-5
Money Market Mutual Funds	\$ 28,892,887	\$ 28,892,887	\$ -
Certificates of Deposit	30,000,000	30,000,000	-
Kansas Municipal Investment Pool	6,980	6,980	-
Treasury Securities - Coupon	9,993,750	-	9,993,750
Federal Agency Discount Notes:			
Federal Home Loan Bank	516,444,171	516,444,171	-
Farm Credit	3,986,788	3,986,788	-
Federal Home Loan Mtge Corp	7,987,627	7,987,627	-
Federal National Mtge Association	79,920,265	79,920,265	-
Federal Agency Issues - Coupon:			
Federal Farm Credit Bank	94,607,631	2,993,334	91,614,297
Federal Home Loan Bank	72,453,118	10,995,640	61,457,478
Federal Home Loan Mtge Corp	53,408,136	13,618,890	39,789,246
Federal National Mtge Association	81,308,319	3,799,571	77,508,748
Total County Investments	<u>\$ 979,009,672</u>	<u>\$ 698,646,153</u>	<u>\$ 280,363,519</u>

The District has investments held in the State Municipal Investment Pool, in a Security Bank of Kansas City Money Market Investment, federally tax exempt municipal bonds, Community Foundation Investment, and in Principal Financial Group, Inc. Common Stock. The State Treasurer operates the municipal investment pool. This pool is not a Security Exchange Commission (SEC) registered pool. The pool's fair value, listed below, is the same as the value of the pool shares. The Pooled Money Investment Board provides regulatory oversight for this pool.

Restricted Investments for the District are held by the Trustee in various money market investments for bond reserves and future capital expenditures. These investments are authorized by the bond covenants. The District had the following investments as of December 31, 2015:

Component Unit Schedule of Investments at December 31, 2015					
	Rating	Interest Rates	Maturities	Par Value	Fair Value
District Investments:					
Kansas Municipal Investment Pool	AAAF/S1+	N/A	Current-365 days	\$ 22,405,858	\$ 22,405,858
SBKC Money Market Investment	AAAam	N/A	Current	5,087,302	5,087,302
Federally Tax Exempt Municipal Bonds	Not available	N/A	Current-2043	1,013,160	1,013,160
Community Foundation, Equity Funds, Fixed Income Funds	Not available	N/A	Current	125,201	125,201
Principal Financial Group, Inc. Common Stock	N/A	N/A	Current	64,411	64,411
				<u>\$ 28,695,932</u>	<u>\$ 28,695,932</u>

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater is the sensitivity of its fair value to changes in market interest rates. As a means to limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits its investment operating portfolio to maturities with a weighted average of less than eighteen

months and its long-term portfolio to maturities with a weighted average of less than three years. As of December 31, 2015, the County's combined weighted average of all investments is 287 days.

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to the government. Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government and are held by the counterparty or the counterparty's trust department but not in the government's name. All deposits were fully insured by the Federal Deposit Insurance Corporation (F.D.I.C.), or fully collateralized by collateral held by the County or its agents in the County's name. The County's investment policies and procedures state that all investments shall be held in the name of Johnson County, Kansas. As of December 31, 2015 the County has \$32,000,000 of investments exposed to custodial credit risk.

All deposits were fully insured by the Federal Deposit Insurance Corporation (F.D.I.C.), or fully collateralized by collateral held by the District or its agents in the District's name. As of December 31, 2015, investments in the amount of \$1,013,160 of federally tax exempt municipal bonds, equity funds, and fixed income funds purchased through and held at the Foundation's brokerage firm, were exposed to custodial credit risk. The District does not have a policy regarding investment custodial credit risk.

Credit Risk. As of December 31, 2015, County funds not held in depository accounts had been invested in certificates of deposits, Government money market funds, the state municipal investment pool, U.S. Treasury notes and the following Government Sponsored Enterprise (GSE) Notes: Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association Notes. The GSE Notes are rated Aaa by Moody's Investor Service. Government money market mutual funds are primarily invested in the above mentioned GSE's and repurchase agreements collateralized with GSE's. The Municipal Investment Pool Portfolio is rated AAf/S1+ by Standard & Poor's.

The District limits investments to those permitted by State Statute or bond covenants and has no formal investment policy that would further limit its investment choices.

Concentration of Credit Risk. At December 31, 2015, of total cash and investments, the County invested 11% in coupons, 18% in callable notes, and 60% in discount notes. The County's investment policy permits up to 80% to be invested in coupons, 50% in callable notes, 50% in discount notes, and 25% for both money markets and the Kansas Municipal Investment Pool at any given point in time. These limits are adjusted during tax collection periods which run from ten days prior to the due date for taxes to be remitted through the distribution dates set by Kansas Statute. The Discount Obligation percent increases to 65% and the limit on the MIP may be increased to 50%. Additionally, the policy permits 100% in demand deposits, certificates of deposits and treasury notes.

More than 5% of the County's investments are in Fidelity Money Market Mutual Funds (13.81%), Federal Farm Credit Bank (10.07%), Federal Home Loan Bank (60.16%), Federal Home Loan Mortgage Corporation (6.27%) and the Federal National Mortgage Association (16.47%).

The District places no limit on the amount that is invested with any one issuer. More than 5% of the District's investments are in the Kansas Municipal Investment Pool (78%), and SBKC Money Market Investment (18%).

The following is a breakdown of the County's investments by issuer:

Issuer	Par value	Fair Value	% of Portfolio
Fidelity	\$ 28,892,887	\$ 28,892,887	2.95%
OMIP 16	6,980	6,980	0.00%
Capitol Federal Financial	30,000,000	30,000,000	3.06%
Treasury Securities - Coupon	10,000,000	9,993,750	1.02%
Federal Farm Credit Bank	99,000,000	98,594,419	10.07%
Federal Home Loan Bank	589,100,000	588,897,289	60.16%
Federal Home Loan Mortgage Corporation	61,635,000	61,395,763	6.27%
Federal National Mortgage Association	161,800,000	161,228,584	16.47%
Total	\$ 980,434,867	\$ 979,009,672	100.00%

4. Receivables

Receivables are comprised of the following as of December 31, 2015:

Accounts Receivable Fiscal Year 2015						
	Taxes Receivable	Accounts Receivable	Grant Receivable	Interest Receivable	Special Assessment Receivable	Total
Governmental Activities	\$ 204,859,943	\$ 6,294,302	\$ 3,296,291	\$ 644,394	\$ -	\$ 215,094,930
Business Type Activities	-	9,745,895	1,600,154	182,883	1,242,098	12,771,030
	\$ 204,859,943	\$ 16,040,197	\$ 4,896,445	\$ 827,277	\$ 1,242,098	\$ 227,865,960

5. Capital Assets

The accompanying government-wide financial statements include those infrastructure assets that were either completed during the fiscal year or considered construction in progress at year-end.

The following is the detail of capital assets as of December 31, 2015:

Primary Government

	December 31, 2014	Increases	Decreases	Transfers	December 31, 2015
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 26,007,011	\$ -	\$ (1,602,150)	\$ -	\$ 24,404,861
Construction in progress	57,926,551	9,277,677	(12,901,721)	(1,693,401)	52,609,106
Total capital assets, not being depreciated	83,933,562	9,277,677	(14,503,871)	(1,693,401)	77,013,967
Capital assets, being depreciated					
Buildings	92,389,021	88,280	(361,157)	-	92,116,144
Improvements other than buildings	4,351,440	-	-	-	4,351,440
Machinery and Equipment	30,496,201	4,098,440	(3,206,864)	47,335	31,435,112
Infrastructure	85,357,593	11,258,157	(8,028,911)	-	88,586,839
Total capital assets being depreciated	212,594,255	15,444,877	(11,596,932)	47,335	216,489,535
Less accumulated depreciation for:					
Buildings	(51,772,295)	(2,011,045)	44,559	-	(53,738,781)
Improvements other than buildings	(1,984,213)	(179,565)	-	-	(2,163,778)
Machinery and Equipment	(23,509,611)	(2,501,086)	3,047,860	(47,335)	(23,010,172)
Infrastructure	(52,353,767)	(2,463,639)	5,407,307	-	(49,410,099)
Total accumulated depreciation	(129,619,886)	(7,155,335)	8,499,726	(47,335)	(128,322,830)
Total capital assets, being depreciated, net	82,974,369	8,289,542	(3,097,206)	-	88,166,705
Governmental activities capital assets, net	\$ 166,907,931	\$ 17,567,219	\$ (17,601,077)	\$ (1,693,401)	\$ 165,180,672

	December 31, 2014	Increases	Decreases	Transfers	December 31, 2015
Business-type activities:					
Capital assets, not being depreciated					
Land	\$ 6,451,123	\$ 3,287,731	\$ -	\$ -	\$ 9,738,854
Construction in progress	236,497,507	30,519,297	(208,704,639)	1,693,401	60,005,566
Total capital assets, not being depreciated	242,948,630	33,807,028	(208,704,639)	1,693,401	69,744,420
Capital assets, being depreciated					
Buildings	409,646,265	102,868,401	-	-	512,514,666
Improvements other than buildings	360,709,831	106,751,400	-	-	467,461,231
Machinery and Equipment	274,326,942	4,611,426	(1,511,580)	(47,335)	277,379,453
Infrastructure	2,187,980	28,691	-	-	2,216,671
Total capital assets being depreciated	1,046,871,018	214,259,918	(1,511,580)	(47,335)	1,259,572,021
Less accumulated depreciation for:					
Buildings	(114,200,702)	(10,092,121)	-	-	(124,292,823)
Improvements other than buildings	(156,632,100)	(23,573,056)	-	-	(180,205,156)
Machinery and Equipment	(253,005,121)	(3,983,281)	1,509,635	47,335	(255,431,432)
Infrastructure	(269,635)	(49,987)	-	-	(319,622)
Total accumulated depreciation	(524,107,558)	(37,698,445)	1,509,635	47,335	(560,249,033)
Total capital assets being depreciated, net	522,763,460	176,561,473	(1,945)	-	699,322,988
Business-type activities capital assets, net	\$ 765,712,090	\$ 210,368,501	\$ (208,706,584)	\$ 1,693,401	\$ 769,067,408

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General Government	\$ 1,281,254
Public Works	2,815,090
Public Safety	1,696,180
Health and Human Services	335,625
Planning and Economic Development	13,183
Culture and Recreation	1,014,003
Total depreciation expense for governmental activities	\$ 7,155,335

Business-type activities	
Airport Fund	\$ 1,503,341
Public Building Commission Fund	8,847,237
Transportation Fund	1,829,161
Johnson County Wastewater	25,518,706
Total depreciation expense for business-type activities	<u>\$37,698,445</u>

Discretely presented component unit

A summary of changes in governmental activities and business-type activities capital assets follows:

	December 31, 2014	Increases	Decreases	December 31, 2015
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 52,229,168	\$ 980,891	\$ -	\$ 53,210,059
Construction in progress	1,119,740	7,046,897	(531,695)	7,634,942
Total capital assets, not being depreciated	<u>53,348,908</u>	<u>8,027,788</u>	<u>(531,695)</u>	<u>60,845,001</u>
Capital assets, being depreciated				
Buildings	25,466,986	40,817	-	25,507,803
Improvements other than buildings	32,728,164	1,811,750	-	34,539,914
Machinery and Equipment	4,427,435	352,861	(61,049)	4,719,247
Infrastructure	492,149	-	-	492,149
Total capital assets being depreciated	<u>63,114,734</u>	<u>2,205,428</u>	<u>(61,049)</u>	<u>65,259,113</u>
Less: accumulated depreciation for:				
Buildings	(5,251,538)	(653,871)	-	(5,905,409)
Improvements other than buildings	(17,982,135)	(1,403,550)	-	(19,385,685)
Machinery and Equipment	(3,201,776)	(389,486)	61,049	(3,530,213)
Infrastructure	(125,050)	(27,073)	-	(152,123)
Total accumulated depreciation	<u>(26,560,499)</u>	<u>(2,473,980)</u>	<u>61,049</u>	<u>(28,973,430)</u>
Total capital assets, being depreciated, net	<u>36,554,235</u>	<u>(268,552)</u>	<u>-</u>	<u>36,285,683</u>
Governmental activities capital assets, net	<u>\$ 89,903,143</u>	<u>\$ 7,759,236</u>	<u>\$ (531,695)</u>	<u>\$ 97,130,684</u>

	December 31, 2014	Increases	Decreases	December 31, 2015
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 4,240,976	\$ -	\$ -	\$ 4,240,976
Total capital assets, not being depreciated	<u>4,240,976</u>	<u>-</u>	<u>-</u>	<u>4,240,976</u>
Capital assets, being depreciated				
Buildings	5,886,596	-	-	5,886,596
Improvements other than buildings	9,352,303	-	-	9,352,303
Machinery and Equipment	3,304,508	27,892	(17,108)	3,315,292
Total capital assets being depreciated	<u>18,543,407</u>	<u>27,892</u>	<u>(17,108)</u>	<u>18,554,191</u>
Less accumulated depreciation for:				
Buildings	(2,543,623)	(144,668)	-	(2,688,291)
Improvements other than buildings	(8,852,699)	(165,923)	-	(9,018,622)
Machinery and Equipment	(2,907,724)	(74,918)	17,108	(2,965,534)
Total accumulated depreciation	<u>(14,304,046)</u>	<u>(385,509)</u>	<u>17,108</u>	<u>(14,672,447)</u>
Total capital assets being depreciated, net	<u>4,239,361</u>	<u>(357,617)</u>	<u>-</u>	<u>3,881,744</u>
Business-type activities capital assets, net	<u>\$ 8,480,337</u>	<u>\$ (357,617)</u>	<u>\$ -</u>	<u>\$ 8,122,720</u>

6. Interfund Balances and Transfers

Interfund balances occur when one fund incurs expenses for another fund. Amounts due to and from other funds as of December 31, 2015 are zero.

An interfund transfer is a movement of monies from one fund to another for current purposes. Frequently it involves the transfer of money from the fund authorized to raise the money to the fund authorized to spend it.

Interfund transfers for the year ended December 31, 2015, are as follows:

Interfund Transfers:							
	General Fund	Capital Projects Fund	Wastewater	Non-Major Governmental Funds	Non-Major Enterprise Funds	Non-Major Internal Svc Funds	Total Transfers Out
Transfer From							
General Fund	\$ -	\$ 6,093,810	\$ -	\$ 471,335	\$ 4,963,588	\$ -	\$ 11,528,733
Capital Projects Fund	2,788	-	-	1,050,000	-	32,435	1,085,223
Wastewater	712,931	-	-	-	-	-	712,931
Non-Major Governmental Funds	1,255,591	29,241,135	-	1,224,035	-	723,400	32,444,161
Non-Major Internal Svc Funds	22,127	-	9,120	-	-	-	31,247
Total Transfers In	\$ 1,993,437	\$ 35,334,945	\$ 9,120	\$ 2,745,370	\$ 4,963,588	\$ 755,835	\$ 45,802,295

Transfers from the General Fund and non-major governmental funds were primarily to the Capital Projects Fund. The General Fund also transferred subsidies to the Transportation (a non-major enterprise) fund. Transfers from the Capital Projects fund to the General Fund were for unexpended funds at the end of a capital project. Funds were also transferred from the General fund to the Capital Projects fund for equipment reserves.

Transfers from a major enterprise fund, Johnson County Wastewater, were to reimburse the General fund for various costs. Transfers from non-major governmental funds were primarily to the Capital Projects fund for budgeted capital projects and to the non-major governmental funds to provide budgeted revenue for debt service, and to reimburse the General Fund for various costs.

Transfers from the Internal Service Funds to the General Fund were for unexpended funds at the end of a project. Funds were also transferred to Wastewater for grant reimbursement.

Transfers for the government-wide Statement of Activities for the year ended December 31, 2015 have been summarized below:

	Transfers
Transfer From	
Governmental activities to Business-type activities	
General to Non-Major Enterprise	\$ 4,963,588
Non-Major internal Svc to Wastewater	9,120
Business-type activities to Governmental activities	
Wastewater to General	(712,931)
Total Transfers - Statement of Activities	\$ 4,259,777

7. Assets under Capital Leases

The County and the Park and Recreation District have entered into various leases for land, buildings, equipment and vehicles, which have bargain purchase options and have been classified in the financial statements as capital leases. The following table details property under capital leases by major classification at December 31, 2015:

Assets Under Capital Lease		
	Governmental Activities	Component Unit
Machinery and equipment	\$ 107,866	\$ 442,436
Less accumulated depreciation	(30,562)	(107,147)
Total	\$ 77,304	\$ 335,289

8. Debt

A. Governmental Activities Long-Term Debt

1. Changes in Governmental Activities Long-Term Debt

The following table summarizes the changes in governmental activities long-term debt of the County for the year ended December 31, 2015:

Summary of Governmental Activities Debt for the year ended December 31, 2015						
	Outstanding January 1	Prior Period Adjustment	Additions	Reductions	Outstanding December 31	Due Within One Year
Primary Government						
Bonds:						
General obligation	\$ 1,575,000	\$ -	\$ -	\$ 805,000	\$ 770,000	\$ 75,000
Plus: bond premium	81,811	-	-	10,248	71,563	-
Special obligation	4,400,000	-	-	830,000	3,570,000	845,000
Compensated absences	18,823,857	-	701,465	1,360,152	18,165,170	1,200,272
Other post employment benefits	11,468,708	-	1,574,632	911,007	12,132,333	-
Net pension liability	-	149,071,835	12,201,060	-	161,272,895	-
Voluntary Retirement Incentive	1,269,108	-	-	707,345	561,763	561,763
Capital lease obligations	3,006,747	-	-	2,915,519	91,228	15,915
Total	\$ 40,625,231	\$ 149,071,835	\$ 14,477,157	\$ 7,539,271	\$ 196,634,952	\$ 2,697,950

For the governmental activities, claims and judgments, and compensated absences are generally liquidated by the general fund. Other post-employment benefits and voluntary retirement incentive benefits (OPEB and VRIP) are liquidated from the health care fund. The net pension liability will be liquidated primarily through KPERS employer contributions made primarily from the governmental funds.

2. **Governmental Activities General and Special Obligation Bonds**

At December 31, 2015, governmental activities general and special obligation bonds consist of the following:

Outstanding Governmental Activities					
General and Special Obligation Bonds as of December 31, 2015					
	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years	
Primary Government					
1999A	\$ 7,572,376	\$ 40,000	4.500-5.500%	20	
2004B	4,445,000	1,835,000	3.125-4.000%	15	
2008C	1,410,000	270,000	3.000-3.875%	10	
2010B	4,470,000	1,080,000	2.000-3.250%	10	
2010E	740,000	385,000	0.700-2.600%	10	
2012B	730,000	730,000	2.000-3.000%	13	
Total	\$ 19,367,376	\$ 4,340,000			

On August 15, 2012, the County issued \$27,005,000 of General Obligation Internal Improvement Crossover Refunding Bonds, Series 2012B, to crossover refund issue 2005A. For governmental activities, \$730,000 of the \$27,005,000 will be used to crossover refund issue 2005A. The Series 2012B Bonds related to governmental activities matured in 2015 and have interest rates from 2.0% to 3.0%.

The issuance of the Series 2012B General Obligation Internal Improvement Crossover Refunding Bonds was conducted as a "crossover" advance refunding, in which the proceeds of the Bonds (new issue) were placed in an escrow account with a major bank and were invested in State and Local Government Securities. These investments and their earnings were structured to pay interest on the portion of 2012B Bonds allocable to the Series 2005A until September 1, 2015 (the call date of the Refunded Bonds), at which time the escrow account crossed over and prepaid the entire remaining principal of the Refunded Bonds. The County continued to pay the originally scheduled debt service payments on the Series 2005A Bonds until September 1, 2015. After the call date, the County crossed over and began making debt service payments on the 2012B Bonds, taking advantage of the lower interest rates. All of the deferred amounts related to refunding are being amortized to interest expense annually.

The County had no additional issuances in 2015. All of the deferred amounts related to refunding are being amortized to interest expense annually.

Remaining debt service requirements for general and special obligation bonds will be paid from the Debt Service Fund of the Primary Government with future property tax revenues.

Annual debt service requirements to maturity for governmental activities general and special obligation bonds are as follows:

Debt Service Requirements Governmental Activities for General and Special Obligation Bonds			
Primary Government	Principal	Interest	Total
2016	\$ 920,000	\$ 147,450	\$ 1,067,450
2017	950,000	116,373	1,066,373
2018	835,000	82,616	917,616
2019	860,000	53,291	913,291
2020	385,000	23,143	408,143
2021-2025	390,000	34,725	424,725
Total	\$ 4,340,000	\$ 457,598	\$ 4,797,598

3. Governmental Activities Special Assessment Bonds

As explained in Note 1.K., Summary of Significant Accounting Policies, the County has made a commitment to pay special assessment bonds in the event less than sufficient revenues are collected for the required debt service. At December 31, 2015, governmental activities special assessment bonds had a zero balance.

4. Capital Leases

As explained in Note 7, the County has entered into various capital leases for assets. The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015 were as follows:

Future Minimum Lease Payments	
Year Ending December 31:	Governmental Activities
2016	22,656
2017	22,656
2018	22,656
Thereafter	41,536
Total minimum lease payments	109,504
Less amounts representing interest	(18,275)
Present value of minimum lease payments	\$ 91,229

5. Debt Margin

The County has an available debt margin of \$722,645,201 as of December 31, 2015.

B. Business-Type Activities Debt

1. Changes in Business-Type Activities Debt

The following table summarizes the changes in business-type activities debt of the County for the year ended December 31, 2015:

Summary of Business-Type Activities Debt for the year ended December 31, 2015						
	Outstanding January 1	Prior Period Adjustment	Additions	Reductions	Outstanding December 31	Due Within One Year
Primary Government						
General obligation bonds:						
Wastewater	\$ 348,145,000	\$ -	\$ 53,020,000	\$ 42,285,000	\$ 358,880,000	\$ 17,475,000
Plus: bond premium	19,480,397	-	6,273,484	1,563,152	24,190,729	-
Less:						
Issuance discounts	(106,156)	-	-	(7,090)	(99,066)	-
Airport	2,525,778	-	3,035,000	405,155	5,155,623	490,155
Plus: bond premium	75,810	-	338,955	21,833	392,932	-
Special assessment bonds:						
Wastewater	24,220	-	-	4,845	19,375	4,845
Revenue bonds:						
PBC	209,450,000	-	63,185,000	28,515,000	244,120,000	12,960,000
Plus: bond premium	3,941,200	-	3,765,891	371,572	7,335,519	-
Less:						
Issuance discounts	(383,963)	-	-	(31,313)	(352,650)	-
Compensated absences	1,542,808	-	31,968	65,475	1,509,301	99,727
Net Pension Liability	-	5,077,555	367,287	-	5,444,842	-
Retainages payable	353,720	-	105,600	55,200	404,120	404,120
Long-term loans:						
Wastewater	21,092,418	-	155,364	2,167,554	19,080,228	2,078,172
Total	\$ 606,141,232	\$ 5,077,555	\$ 130,278,549	\$ 75,416,383	\$ 666,080,953	\$ 33,512,019

2. Business-Type Activities General Obligation Bonds

At December 31, 2015, Business-Type Activities General Obligation Bonds consist of the following:

Outstanding Business-Type Activities General Obligation Bonds as of December 31, 2015				
	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
2007A Wastewater	42,220,000	26,760,000	4.000-5.000%	20
2007B Wastewater	24,590,000	20,765,000	4.000-4.750%	20
2008A Wastewater	26,585,000	22,890,000	4.000-5.000%	20
2008B Wastewater	17,070,000	25,000	4.000-5.000%	10
2008D Wastewater	10,425,000	9,010,000	4.000-5.000%	20
2009A Wastewater	16,345,000	14,100,000	2.000-4.125%	20
2009B Wastewater	20,925,000	17,905,000	2.250-5.400%	20
2009C Wastewater	8,460,000	4,480,000	3.000-5.000%	11
2009C Wastewater	3,423,175	2,105,000	3.000-5.000%	12
2009C Wastewater	2,580,000	1,555,000	3.000-5.000%	13
2010C Wastewater	8,605,000	7,385,000	1.150-4.800%	20
2010D Wastewater	2,460,000	1,770,000	2.000-4.000%	13
2010D Wastewater	9,265,000	7,430,000	3.000-4.000%	14
2011A Wastewater	16,790,000	14,570,000	2.000-4.250%	20
2012A Wastewater	37,350,000	33,200,000	2.000-4.000%	20
2012B Wastewater	26,275,000	26,275,000	2.000-3.000%	13
2013A Wastewater	40,865,000	37,765,000	2.000-5.000%	20
2014A Wastewater	20,205,000	19,390,000	3.500-5.000%	20
2014B Wastewater	21,465,000	21,465,000	3.000-5.000%	13
2014B Wastewater	17,015,000	17,015,000	3.000-5.000%	13
2015A Wastewater	28,605,000	28,605,000	3.000-5.000%	20
2015B Wastewater	17,490,000	17,490,000	3.000-5.000%	13
2015B Wastewater	6,925,000	6,925,000	3.000-5.000%	13
1999A Airport	410,000	40,623	4.500-5.500%	20
2008A Airport	1,960,000	1,475,000	4.000-5.000%	20
2008B Airport	1,505,000	270,000	4.000-5.000%	10
2010D Airport	940,000	335,000	2.000-4.000%	7
2015A Airport	1,910,000	1,910,000	3.000-5.000%	20
2015B Airport	1,125,000	1,125,000	3.000-5.000%	13
Total	\$ 433,788,175	\$ 364,035,623		

On August 15, 2012, the County also issued \$26,275,000 of Internal Improvement Refunding Bonds, Series 2012B, to crossover refund the Series 2005A bonds. These bonds matured in 2025 and have interest rates ranging from 2.0% to 3.0%. The bond premium for the Series 2012B issue was recorded in the amount of \$2,463,987 and is being amortized to interest expense through 2025. As of December 31, 2015, the balance of the bond premium is \$1,840,650.

For proprietary funds, the Series 2012B Refunding Bonds resulted in an economic gain (the difference between the present value of the old and the new debt service payments) of \$3,053,913 and a reduction of \$2,593,379 in the net future value debt service payments for the County over the next 13 years.

The issuance of the Series 2012B General Obligation Internal Improvement Refunding Bonds was conducted as a "crossover" advance refunding, in which the proceeds of the Bonds (new

issue) were placed in an escrow account with a major bank and were invested in State and Local Government Securities. These investments and their earnings were structured to pay interest on the portion of 2012B Bonds allocable to the Series 2005A until September 1, 2015, (the call dates of the Refunded Bonds), at which time the escrow account crossed over and prepaid the entire remaining principal of the Refunded Bonds. The County continued to pay the originally scheduled debt service payments on the Series 2005A until September 1, 2015. After the call date, the County crossed over and began making debt service payments on the 2012B Bonds, taking advantage of the lower interest rates.

On November 25, 2014, the County also issued \$38,480,000 of Internal Improvement Refunding Bonds, Series 2014B, to crossover refund the series 2007A and 2007B bonds. These bonds mature in 2027 and have interest rates ranging from 4.0% to 5.0%. The bond premium for the Series 2014B issue was recorded in the amount of \$6,207,700 and is being amortized to interest expense through 2027. As of December 31, 2015, the balance of the bond premium is \$5,686,710.

For proprietary funds, the Series 2014B Refunding Bonds resulted in an economic gain (the difference between the present value of the old and the new debt service payments) of \$3,249,231 and a reduction of \$2,764,861 in the net future value debt service payments for the County over the next 13 years.

The issuance of the Series 2014B General Obligation Internal Improvement Refunding Bonds was conducted as a “crossover” advance refunding, in which the proceeds of the Bonds (new issue) are placed in an escrow account with a major bank and will be invested in State and Local Government Securities. These investments and their earnings are structured to pay interest on the portion of 2014B Bonds allocable to the Series 2007A and 2007 until September 1, 2017, (the call dates of the Refunded Bonds), at which time the escrow account will crossover and prepay the entire remaining principal of the Refunded Bonds. The County will continue to pay the originally scheduled debt service payments on the Series 2007A and 2007B until September 1, 2017. After the call date, the County will cross over and begin making debt service payments on the 2014B Bonds, taking advantage of the lower interest rates.

On December 17, 2015, the County also issued \$30,515,000 of Internal Improvement Bonds, Series 2015A, to finance certain wastewater improvements to Johnson County Wastewater and to purchase land for the Airport. These bonds mature in 2035 and have interest rates ranging from 3.0% to 5.0%. The bond premium for the Series 2015A issue was recorded in the amount of \$2,485,699 and is being amortized to interest expense through 2035. As of December 31, 2015, the balance of the bond premium is \$2,480,932.

On December 17, 2015, the County also issued \$25,540,000 of Internal Improvement Refunding Bonds, Series 2015B, to crossover refund the series 2008A and 2008D bonds. These bonds mature in 2028 and have interest rates ranging from 3.0% to 5.0%. The bond premium for the Series 2015B issue was recorded in the amount of \$4,126,740 and is being amortized to interest expense through 2028. As of December 31, 2015, the balance of the bond premium is \$4,114,564.

For proprietary funds, the Series 2015B Refunding Bonds resulted in an economic gain (the difference between the present value of the old and the new debt service payments) of \$3,130,112 and a reduction of \$2,658,360 in the net future value debt service payments for the County over the next 13 years.

The issuance of the Series 2015B General Obligation Internal Improvement Refunding Bonds was conducted as a “crossover” advance refunding, in which the proceeds of the Bonds (new

issue) are placed in an escrow account with a major bank and will be invested in State and Local Government Securities. These investments and their earnings are structured to pay interest on the portion of the 2015B Bonds allocable to the Series 2008A and 2008D until September 1, 2018 (the call dates of the Refunded Bonds), at which time the escrow account will crossover and prepay the entire remaining principal of the Refunded Bonds. The County will continue to pay the originally scheduled debt service payments on the Series 2008A and 2008D until September 1, 2018. After the call date, the County will cross over and begin making debt service payments on the 2015B Bonds, taking advantage of the lower interest rates.

Remaining debt service requirements for general obligation wastewater bonds will be paid from Johnson County Wastewater Enterprise Fund with revenues from wastewater Capital Finance Charges and connection fees. Capital Finance Charges are billed and collected in the same manner as the wastewater operations and maintenance charge. Remaining debt service requirements for general obligation airport bonds will be paid from the Airport Enterprise Fund with revenues from operations or from taxes.

Annual debt service requirements to maturity for business-type activities general obligation bonds are as follows:

Debt Service Requirements for Business-Type Activities General Obligation Bonds				
	Principal	Interest	Total	
2016	\$ 17,965,155	\$ 14,187,687	\$	32,152,842
2017	58,865,155	14,180,017		73,045,172
2018	45,670,155	11,660,526		57,330,681
2019	18,915,160	9,629,181		28,544,341
2020	19,654,998	8,857,608		28,512,606
2021-2025	101,735,000	31,302,077		133,037,077
2026-2030	71,685,000	12,600,286		84,285,286
2031-2035	29,545,000	2,528,127		32,073,127
Total	\$ 364,035,623	\$ 104,945,509	\$	468,981,132

3. Business-Type Activities Special Assessment Bonds

As explained in Note 1. K., Summary of Significant Accounting Policies, the County has made a commitment to pay special assessment bonds in the event less than sufficient revenues are collected for the required debt service. At December 31, 2015, Wastewater special assessment bonds consist of the following:

Outstanding Wastewater Special Assessment Bonds as of December 31, 2015				
	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
1999A	\$ 96,891	\$ 19,375	4.50-5.50%	20

Remaining debt service requirements for Wastewater special assessment bonds with governmental commitment will be paid from the Wastewater Enterprise Fund with future special assessments.

Annual debt service requirements to maturity for Wastewater special assessment bonds outstanding at December 31, 2015, are as follows:

Debt Service Requirements for Wastewater Special Assessment Bonds				
	Principal	Interest	Total	
2016	4,845	1,060	5,905	
2017	4,846	800	5,646	
2018	4,846	532	5,378	
2019	4,838	266	5,104	
Total	\$ 19,375	\$ 2,658	\$ 22,033	

4. Business-Type Activities Revenue Bonds

The Public Building Commission (PBC) has issued revenue bonds, which will be paid from future rent revenues. At December 31, 2015, business-type activities revenue bonds for PBC consist of the following:

Business-Type Activities Outstanding Revenue Bonds as of December 31, 2015				
	Original Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
Primary Government				
PBC, 2007A	10,500,000	6,660,000	2.000-5.250%	20
PBC, 2007B	4,850,000	1,170,000	4.000-4.750%	20
PBC, 2008A	48,825,000	36,845,000	3.892-4.125%	20
PBC, 2008B	5,640,000	4,245,000	4.000-4.750%	20
PBC, 2008C	10,750,000	7,945,000	4.000-5.000%	20
PBC, 2009A	14,995,000	11,715,000	2.500-4.250%	20
PBC, 2010A	13,245,000	10,580,000	1.000-5.650%	20
PBC, 2010B	6,120,000	570,000	2.500-4.000%	12
PBC, 2010C	31,510,000	23,540,000	2.500-4.000%	14
PBC, 2010D	14,250,000	11,165,000	0.850-5.000%	20
PBC, 2011A	35,395,000	30,445,000	2.000-4.375%	20
PBC, 2011B	16,800,000	13,895,000	2.000-4.500%	20
PBC, 2012A	16,635,000	16,635,000	3.000-4.000%	13
PBC, 2014A	1,995,000	1,910,000	2.000-3.000%	10
PBC, 2014B	4,000,000	3,615,000	2.000-4.000%	10
PBC, 2015A	21,460,000	21,460,000	2.000-4.000%	20
PBC, 2015B	41,725,000	41,725,000	2.000-5.000%	13
Total	\$ 298,695,000	\$ 244,120,000		

On August 15, 2012, the County issued \$16,635,000 of Lease Purchase Revenue Refunding Bonds, Series 2012A, to crossover refund the Series 2005A bonds. These bonds mature in 2025 and have interest rates ranging from 3.0% to 4.0%. The bond premium for the Series 2012A issue was recorded in the amount of \$1,850,406 and is being amortized to interest expense through 2025. As of December 31, 2015, the balance of the bond premium is \$1,382,293.

The Series 2012A PBC Refunding Bonds resulted in an economic gain (the difference between the present value of the old and the new debt service payments) of \$1,646,844 and a reduction of \$1,412,683 in the net future value debt service payments for the PBC over the next 13 years.

The issuance of the Series 2012A Lease Purchase Revenue Refunding Bonds was conducted as a “crossover” advance refunding, in which the proceeds of the Bonds (new issue) were placed in an escrow account with a major bank and were invested in State and Local Government Securities. These investments and their earnings were structured to pay interest on the portion of 2012A PBC Bonds allocable to the Series 2005A PBC Bonds until September 1, 2015, (the call dates of the Refunded Bonds), at which time the escrow account crossed over and prepaid the entire remaining principal of the Refunded Bonds. The PBC continued to pay the originally scheduled debt service payments on the Series 2005A PBC Bonds until September 1, 2015. After the call date, the PBC crossed over and began making debt service payments on the 2012A PBC Bonds, taking advantage of the lower interest rates.

On June 30, 2015, the County issued \$21,460,000 of Lease Purchase Improvement Revenue Bonds, Series 2015A to finance capital improvement projects on behalf of the County to construct County buildings. These bonds mature in 2035, and have interest rates ranging from 2.0% to 4.0%. The bond premium for the Series 2015A Lease Purchase Improvement Revenue Bonds issue was recorded in the amount of \$564,610, and is being amortized to interest expense through 2035. As of December 31, 2015, the remaining balance of the bond premium is \$550,379.

On December 17, 2015, the County issued \$41,725,000 of Lease Purchase Revenue Refunding Bonds, Series 2015B, to crossover refund the Series 2007A, 2008A, and 2008C bonds. These bonds mature in 2028 and have interest rates ranging from 2.0% to 5.0%. The bond premium for the Series 2015B issue was recorded in the amount of \$3,201,280 and is being amortized to interest expense through 2028. As of December 31, 2015, the balance of the bond premium is \$3,191,835.

The Series 2015B PBC Refunding Bonds resulted in an economic gain (the difference between the present value of the old and the new debt service payments) of \$4,225,062 and a reduction of \$3,511,446 in the net future value debt service payments for the PBC over the next 13 years.

The issuance of the Series 2015B Lease Purchase Revenue Refunding Bonds was conducted as a “crossover” advance refunding, in which the proceeds of the Bonds (new issue) are placed in an escrow account with a major bank and will be invested in State and Local Government Securities. These investments and their earnings are structured to pay interest on the portion of the 2015B PBC Bonds allocable to the Series 2007A, 2008A, and 2008C Bonds until September 1, 2018, (the call date of the Refunded Bonds), at which time the escrow account will crossover and prepay the entire remaining principal of the Refunded Bonds. The PBC will continue to pay the originally scheduled debt service payments on the Series 2007A, 2008A, and 2008C Bonds until September 1, 2018. After the call date, the PBC will cross over and being making debt service payments on the 2015B PBC Bonds, taking advantage of the lower interest rates.

Remaining debt service requirements for PBC revenue bonds will be paid from the PBC Enterprise fund. This fund has future lease revenue pledged to repay revenue bonds which provided proceeds for financing of buildings and facilities. The bonds are payable solely from lease payments made directly to a trustee for the purpose of repaying the debt. Principal and interest paid for the current year were \$11,805,000 and \$8,360,418 respectively.

Annual debt service requirements to maturity for business-type activities revenue bonds are as follows:

Debt Service Requirements for Business-Type Activities Revenue Bonds				
	Principal		Interest	Total
Primary Government				
2016	\$	12,960,000	\$	9,034,004
2017		19,220,000		8,880,820
2018		50,400,000		8,191,506
2019		14,330,000		5,993,438
2020		14,560,000		5,561,035
2021-2025		73,755,000		20,058,606
2026-2030		48,425,000		7,284,215
2031-2035		10,470,000		917,463
Total	\$	244,120,000	\$	65,921,087
			\$	310,041,087

5. Business-Type Activities Long-Term Loans

The County has committed to pay loan obligations in the event that insufficient revenues are collected from connection fees and Capital Finance charges within the Wastewater District.

During 2015, the State advanced an additional \$155,365 for Wastewater improvements. As of December 31, 2015, the County was eligible to borrow an additional \$5,825,700 for various Wastewater improvements.

At December 31, 2015, loan agreements were in existence between the County and the State of Kansas as follows:

Business-Type Activities				
Outstanding Loans as of December 31, 2015				
	Original Issue Amount	Current Loans Outstanding	Interest Rates	Original Term in Years
Blue River	\$ 14,290,397	\$ 2,667,513	3.14%	20
Mill Creek Regional Plant	13,583,500	7,195,124	2.86%	20
Middle Basin Green Project	10,655,100	8,090,124	2.72%	20
Loan Elm	871,753	827,466	2.17%	20
Gardner Lake	597,703	300,001	2.17%	20
Total	\$ 39,998,453	\$ 19,080,228		

Annual debt service requirements to maturity for borrowed amounts outstanding at December 31, 2015, against these loans are as follows:

Debt Service Requirements for Business-Type Activities Loans				
	Principal		Interest	Total
2016	\$	2,078,172	\$ 695,571	\$ 2,773,743
2017		2,117,099	637,796	2,754,895
2018		2,038,140	576,590	2,614,730
2019		1,150,341	515,902	1,666,243
2020		1,182,647	475,865	1,658,512
2021-2025		6,430,536	1,739,707	8,170,243
2026-2030		3,581,844	605,412	4,187,256
2031-2035		501,449	10,814	512,263
Total	\$	19,080,228	\$ 5,257,657	\$ 24,337,885

6. Claims and Judgments

The County and its related entities are involved in numerous lawsuits arising in the ordinary course of activities, including claims for false arrest, personal injury and discriminatory personnel practices, property condemnation proceedings, and suits contesting the legality of certain taxes. While these cases may have future financial effect, management, based on advice from counsel believes that their ultimate outcome will not be material to the financial statements.

C. Component Unit Debt

1. Changes in Governmental Activities Long-Term Debt

The following table summarizes the changes in governmental activities long-term debt of the District for the year ended December 31, 2015:

Summary of Governmental Activities Debt for the year ended December 31, 2015							
Component Unit	Balance as Previously				Outstanding December 31	Due Within One Year	
	Previously Stated 31-Dec-14	Prior Period Adjustment	Additions	Reductions			
Bonds:							
General obligation	\$ 1,960,000	\$ -	\$ -	\$ 365,000	\$ 1,595,000	\$ 380,000	
Plus: issuance premiums	85,480	-	-	18,305	67,175	-	
Certificates of participation	29,180,000	-	2,490,000	2,925,000	28,745,000	3,125,000	
Plus: issuance premiums	2,276,066	-	75,320	278,205	2,073,181	-	
Capital lease obligations	58,772	-	-	28,904	29,868	29,868	
Compensated absences	875,761	-	339,722	321,062	894,421	304,065	
Early retirement obligation	51,169	-	-	14,260	36,909	-	
Net pension liability	-	7,535,867	865,513	-	8,401,380	-	
Other post employment benefits	508,162	-	69,643	28,408	549,397	-	
Total	\$ 34,995,410	\$ 7,535,867	\$ 3,840,198	\$ 3,979,144	\$ 42,392,331	\$ 3,838,933	

The accrued compensated absences attributable to the governmental activities are generally liquidated by the General Fund. Other post-employment benefits (OPEB) are liquidated from

the employee benefits fund. The net pension liability will be liquidated primarily through KPERS employer contributions made primarily from the governmental funds.

2. Governmental Activities and Business Type Activities Summary of Long Term Debt

At December 31, 2015, governmental activities and business-type activities debt for the District consists of the following:

Summary of Bond Issues					
Component Unit	Original Issue Amount	Governmental Activities Balance	Business- Type Balance	Interest Rates	Original Term in Years
General Obligation:					
2010A Refunding Bonds	\$ 3,625,000	\$ 1,595,000	\$ -	2.000-4.000%	9
Revenue:					
2010B Refunding Lease	3,310,000	-	1,070,000	2.000-4.000%	8
Certificates of Participation:					
2010 Series C	3,280,000	1,425,000	-	3.000-4.000%	8
2010 Series D	4,145,000	3,310,000	-	2.000-4.125%	20
2011 Series A	12,475,000	8,500,000	-	3.000-5.000%	11
2013 Series A	15,670,000	13,020,000	-	4.000-5.125%	10
2015 Series A	2,490,000	2,490,000	-	2.250-4.00%	20
Total	\$ 44,995,000	\$ 30,340,000	\$ 1,070,000		

3. Governmental Activities Long-term Debt

Annual debt service requirements to maturity for governmental activities long-term debt are as follows:

Debt Service Requirements Governmental Activities			
Component Unit	Principal	Interest	Total
2016	\$ 3,534,868	\$ 1,296,377	\$ 4,831,245
2017	3,645,000	1,159,512	4,804,512
2018	4,125,000	1,012,612	5,137,612
2019	5,225,000	823,212	6,048,212
2020	2,955,000	586,363	3,541,363
2021-2025	8,115,000	1,261,766	9,376,766
2026-2030	1,965,000	402,675	2,367,675
2030-2035	805,000	99,000	904,000
Total	\$ 30,369,868	\$ 6,641,517	\$ 37,011,385

4. Changes in Business-Type Activities Long-Term Debt

The following table summarizes the changes in business-type activities debt of the District for the year ended December 31, 2015:

Summary of Business-Type Activities Debt for the year ended December 31, 2015					
Component Unit	Outstanding January 1	Additions	Reductions	Outstanding December 31	Due Within One Year
Revenue bonds	\$ 1,430,000	\$ -	\$ 360,000	\$ 1,070,000	\$ 370,000
Plus: issuance premiums	44,461	-	11,345	33,116	-
Compensated absences	651,019	151,363	197,977	604,405	205,472
Capital lease obligations	182,998	-	76,447	106,551	78,775
Net OPEB Obligation	782,621	104,464	42,612	844,473	-
Total	\$ 3,091,099	\$ 255,827	\$ 688,381	\$ 2,658,545	\$ 654,247

5. Business-Type Activities Revenue Bonds

Annual debt service requirements to maturity for business-type activities revenue bonds are as follows:

Debt Service Requirements for Business-Type Activities Revenue Bonds			
Component Unit	Principal	Interest	Total
2016	\$ 370,000	\$ 39,100	\$ 409,100
2017	385,000	28,000	413,000
2018	315,000	12,600	327,600
Total	\$ 1,070,000	\$ 79,700	\$ 1,149,700

All of the revenue bonds require the establishment of bond reserves of an amount equal to the lesser of a) 10% of the stated principal amount of the bonds; b) the maximum annual debt service requirements; or c) 125% of the average annual debt service requirements. The District has \$332,218 in the District Enterprise Fund restricted for the bond reserves.

The Certificates of Participation require the establishment of bond reserves of an amount equal to the lesser of a) 10% of the stated principal amount of the certificates; b) the maximum annual debt service requirements; or c) 125% of the average annual debt service requirements. The exception to this requirement is the Series 2011A bond reserve, which is discussed below. The governmental activities have \$2,726,055 restricted for the required bond reserves.

The 2011A Bond reserve was set at an amount of \$525,000. All interest earned on the reserve fund will be retained therein. At no time will accumulated funds in the Reserve Fund exceed the Reserve Maximum. The Reserve Maximum is an amount equal to the lesser of (a) 10% of the original principal amount of such certificates, (b) 125% of the average annual base rental with respect to the certificates, or (c) 100% of the maximum annual base rental with respect to the certificates. At any time the Bond Reserve reaches the Reserve Maximum, the Trustee must transfer the excess funds to the Certificate Payment Fund.

6. Capital leases

As explained in Note 7, the District has entered into various capital leases for assets. The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015 were as follows:

Future Minimum Lease Payments	
Year Ending December 31:	Component Unit
2016	112,907
2017	28,621
Total minimum lease payments	141,528
Less amounts representing interest	(5,109)
Present value of minimum lease payments	\$ 136,419

9. Fund Balances

Fund balances for all the major and nonmajor governmental funds as of December 31, 2015, were distributed as follows:

Johnson County, Kansas
Fund Balance Classifications
Governmental Funds
December 31, 2015

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventories	\$ 652,403	\$ -	\$ 657,859	\$ 1,310,262
Prepays	368,505	23,341	160,329	552,175
Subtotal	1,020,908	23,341	818,188	1,862,437
Restricted:				
General Government	219	-	4,943,669	4,943,888
Public Works	-	-	5,463,739	5,463,739
Public Safety	3,624,605	-	7,525,829	11,150,434
Health and human services	166,944	-	2,802,989	2,969,933
Planning and economic development	-	-	2,423	2,423
Culture and recreation	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	1,157,440	1,157,440
Subtotal	3,791,768	-	21,896,089	25,687,857
Committed:				
General Government	519,538	-	-	519,538
Public Works	-	84,317,011	27,902	84,344,913
Public Safety	2,115,112	-	-	2,115,112
Health and human services	-	-	242,918	242,918
Planning and economic development	852,325	-	109,799	962,124
Culture and recreation	68,829	-	-	68,829
Subtotal	3,555,804	84,317,011	380,619	88,253,434
Assigned:				
General Government	244,048	-	202,702	446,750
Public Works	537,145	-	3,575,194	4,112,339
Public Safety	2,331,993	-	1,678,366	4,010,359
Health and human services	243,142	-	2,303,410	2,546,552
Planning and economic development	-	-	-	-
Culture and recreation	430	-	4,894,209	4,894,639
Subtotal	3,356,758	-	12,653,881	16,010,639
Unassigned:	60,132,601	-	-	60,132,601
Total fund balances	\$ 71,857,839	\$ 84,340,352	\$ 35,748,777	\$ 191,946,968

The Board of County Commissioners adopted the County policy on fund balance in December 2002. The policy aims to help reduce the negative impact on the County in times of economic uncertainty and potential losses of funding from other governmental agencies. Financial provisions are considered appropriate in order to:

Maintain Working Capital

1. Meet cash flow requirements.
2. Provide contingencies for unpredictable revenue sources.
3. Provide contingencies for emergencies (such as natural disasters).

Fund Capital Asset Replacement and Debt Retirement

4. Provide funding for capital asset replacement.
5. Meet debt service covenants/requirements.
6. Prepay outstanding debt.

It is the policy of the Board to maintain prudent provisions for established funds based on the six factors listed above, and all provision policies shall be analyzed on a periodic basis.

It is the policy of the Board to maintain a provision amount in the County's General Fund that ranges between 10% and 15% of estimated annual General Fund net revenues. General Fund net revenues are defined as the total annual budgeted revenues for the General Fund, excluding intrafund transfers and cost allocation expenditures budgeted in the General Fund. Any General Fund provision amounts in excess of the policy calculation are considered one-time (non-recurring and unpredictable) revenues and shall not be used to fund on-going expenditures. However, provisions may be used on a short-term basis to offset the impact of economic downturns.

It is the policy of the Board to maintain a provision of the County's Debt Service Fund and the Library's Debt Service Fund between 5% and 10% of the annual principal and interest amounts due on outstanding bonds, plus 100% of any annual principal and interest amounts due on outstanding temporary notes. Any Debt Service Fund provision amounts in excess of 10% can only be used to reduce the amount of outstanding debt or to reduce the debt service property tax levy.

It is the policy of the Board to establish and maintain a provision, including funding for plan run-out, within the County's Health Care Fund. The amount of the provision shall be determined annually by the Board based upon funding recommendations prepared by the County Manager. The provision amount for any given year shall not be less than that amount which is determined to provide a provision level of high minimal funding and the provision goal for each year shall be that amount which is determined to provide a provision level of "secure funding". The County Manager and/or his designee shall develop and adopt criteria and procedures, recognized in the health care insurance industry, for determining the high minimal funding level and the secure funding level, but they should consider the following:

1. The County's average monthly claims.
2. Trending factors for claims and costs.
3. Trending factors for utilization of the fund.
4. Exposure to catastrophic or other cost factors.
5. The ability of the fund to be and remain viable through various experiences.

It is the policy of the Board to maintain a minimum provision between 5% and 10% of budgeted annual expenditures for the following funds:

- Public Works Fund
- Transportation Fund
- Airport Fund
- Library Operating Fund
- Library Special Use Fund
- 911 Telephone Fund
- County Building Fund
- Alcohol Tax Fund
- Public Health Fund

It is the policy of the Board to maintain a minimum provision between 8% and 12% of budgeted annual expenditures per fund for the following funds:

- Developmental Supports Fund
- Mental Health Fund

If the provision amount for any County fund falls below the minimum established provision level, the County Manager shall submit a recommended plan to the Board as soon as practical, but not to exceed 90 days following receipt of notice from the Director of Budget and Financial Planning and the Director of Treasury and Financial Management, to rebuild the provision to the minimum level.

Purposes of Fund Balance Classifications

A. General Fund

The total restricted fund balance for the General Fund for 2015 is \$3,791,768. The majority of this is related to Public Safety. The largest portion, \$1.3 million, are receipts from the Public Safety Sales Tax to be used for facilities including jail beds, a crime lab, and juvenile detention campus. Additionally, \$1.1 million are receipts restricted to Sheriff activities, and another \$350 thousand are receipts from fees to administer District Court domestic violence programs, bond supervision, and juvenile supervision. An additional \$600 thousand is restricted for community corrections programs.

The total committed fund balance for the General Fund for 2015 is \$3,555,805. General Government accounts for \$375 thousand, which is a contingency for sick/disability pay. Public Safety accounts for \$2.1 million, which is comprised of \$1.5 million as a contingency for adult and juvenile prisoner boarding, prisoner medical costs, and for general county litigation expenses, and \$400 thousand for programs including the Corrections house arrest program. Planning and economic development accounts for \$850 thousand, which are related to contractor licensing.

The total assigned fund balance for the General Fund for 2015 is \$3,356,759. Public Safety accounts for \$2.3 million. The components of this include \$600 thousand for District Court programs, \$750 thousand for the Sheriff commissary program, and \$375 thousand for Corrections training programs. The remaining assigned fund balance for Public Safety represents encumbrances related to Med Act and other Public Safety related departments. The rest of the assigned fund balance in the General Fund relates to encumbrances across departments not related to Public Safety.

B. Capital Projects Fund

All fund balance is committed under Public Works, except for a small number of prepaid items.

C. Other Governmental Funds

The other governmental funds are comprised of the special revenue, debt service, and non-major capital projects funds (Register of Deeds Technology, Stormwater, Public Works, and County Building funds.) The restricted revenue sources for these funds are a combination of tax and intergovernmental revenue, and charges for services that relate to the purpose of each fund. Any transfers in from the General Fund are considered committed. Investment earnings, revenues from licenses and permits and revenues from miscellaneous sources are considered assigned revenue sources. Fund balance for each fund is depleted via expenditures in the order of restricted, committed, assigned, and unassigned. Please see the individual special revenue, debt service, and non-major capital projects fund statements for the fund balance detail.

10. Self-Insurance

A. Risk Management

The Park and Recreation District does not participate in the County's self-insurance programs for risk management and health care. The District purchases commercial insurance coverage for these risks.

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Since November 1990, the County has qualified as a self-insurer for workers' compensation benefits. Workers' Compensation costs are paid into the Risk Management internal service fund by all other funds through an allocation system and are available to pay claims and administrative costs of the program. The County is self-insured for workers' compensation claims for the first \$500,000 per occurrence. Specific excess insurance is purchased commercially to provide protection in excess of the self-insured amount. Settled claims have not exceeded the retention amount in any of the past three fiscal years. No aggregate excess coverage is purchased. A third party claims administrator is contracted to provide claims administration and payment services.

As of December 31, 2015, incurred but not reported (IBNR) workers' compensation claims of \$997,358 have been accrued as a liability in the Risk Management internal service fund based upon an actuary's estimate. Additional workers' compensation claims incurred and outstanding of \$597,232 have also been recorded in this fund.

The County retains liability for \$350,000 of each occurrence for losses related to automobile and general liability. Coverage in excess of the retained limits is provided by excess insurance. Settled claims have not exceeded the retention or the commercial coverage in any of the past three fiscal years. The County purchases Public Officials Errors & Omissions and Employment Practices Liability insurance which provides coverage in excess of a \$350,000 retention per each wrongful act. Settled claims have not exceeded the retention or commercial coverage in any of the past three fiscal years. Law Enforcement Liability coverage is purchased to cover the Sheriff's Operations. Since January 2007, this insurance has a \$100,000 deductible applicable to each claim. Settled claims have not exceeded the deductible or commercial coverage in any of the past two fiscal years. There were no significant reductions in the insurance coverage from the prior year. As of December 31, 2015, incurred but not reported (IBNR) automobile, general, and law enforcement liability claims of \$651,923 have been accrued as a liability in the Risk Management

internal service fund based upon an actuary's estimate. A liability for automobile, general, and law enforcement claims is established when payment is determined to be probable and reasonable estimates of expected costs are available. These amounts are in the categories as listed below:

Automobile liability	\$ 10,789
General liability	213,668
Law enforcement liability	427,466
Total	\$ 651,923

Changes in the Risk Management internal service fund's insurance claims payable during 2015 and 2014 were as follows:

Risk Management				
	Claims Liability Beginning of Year	Claims and Changes in Estimates	Claim Payments	Claims Liability End of Year
2015	\$2,549,532	3,228,590	(3,531,609)	\$2,246,513
2014	\$3,122,157	2,933,357	(3,505,982)	\$2,549,532

The above totals represent both the Workers' Compensation fund as well as tort and non-tort liability Reserve fund costs. The Risk Management claims payable are based upon claims adjusters' and management's evaluation, and an actuarial review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but not reported. The liability represents the estimated ultimate cost of settling the claims, including incremental costs, the effects of inflation and other societal and economic factors. Other non-incremental costs are not included in the basis of estimating the liability.

Included in the Risk Management fund's net position is an amount for future catastrophic tort and non-tort losses not otherwise insured in the amount of \$2,829,371, and \$3,333,614 at December 31, 2015 and December 31, 2014, respectively.

B. Self-Insured Health Care

The County began self-insuring health care benefits in 1990, and has been in a cost-plus arrangement since 1993. The County retains liability up to \$250,000 per covered person, with specific stop loss coverage purchased to provide protection in excess of that amount. In addition, the County has aggregate stop-loss coverage for potential health care costs above the funded limit for the County health plans, as a whole. This aggregate stop-loss is limited to 115% of projected claims for the plan year, and was approximately \$41,867,280 and \$41,028,977 in 2015 and 2014, respectively. Settled claims have not exceeded this aggregate liability coverage in any of the past three fiscal years. A third party administrator is contracted to provide claims administration and payment services. As of December 31, 2015, a liability of \$2,994,473 has been recorded in the Self-Insured Health Care internal service fund for outstanding health care claims, including an estimate for claims incurred but not reported (IBNR).

The Self-Insured Health Care claims payable are based upon claims adjusters' and management's evaluation of submitted medical claims in accordance with the County group health plan contract. The IBNR amount is calculated by a health actuary employed by the County's external employee benefits consultant firm. The liability represents the estimated ultimate cost of settling the claims,

including incremental costs, the effects of inflation and other societal and economic factors. Other non-incremental costs are not included in the basis of estimating the liability.

Changes in the Self-Insured Health Care internal service fund's insurance claims payable during 2015 and 2014 were as follows:

Self-Insured Health Care				
	Insurance Claims Liability Beginning of Year	Claims and Changes in Estimates	Claim Payments	Insurance Claims Liability End of Year
2015	\$2,480,529	43,732,141	(43,218,197)	\$2,994,473
2014	\$3,229,316	37,425,908	(38,174,695)	\$2,480,529

11. Commitments and Contingencies

A. Federal Assistance

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

B. Litigation

The County and its related entities are involved in various lawsuits arising in the ordinary course of activities, including claims related to law enforcement activities, personal injuries and personnel issues, property condemnation proceedings, and suits contesting the legality of certain taxes. While these cases may have future financial effect, management, based on advice from counsel, believes that their ultimate outcome will not be material to the financial statements.

C. Encumbrances

The County uses "encumbrances" to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year end are not accounted for as expenditures and liabilities but, rather, as restricted, committed, or assigned fund balance. As of December 31, 2015, the County's General Fund had a total of \$1.3 million in encumbrances, which were reported as part of the government fund balance sheet as follows:

General Fund:		Encumbrances
Restricted	\$	324,275
Committed		200
Assigned		1,048,352
	\$	1,372,827

D. Commitments

Capital projects often extend from one to four years and are accounted for in the County's Capital Projects Fund. Kansas statutes do not require capital project expenditures to be budgeted. The following is a schedule of project authorizations and expenditures incurred since inception, by category, for capital projects in progress at December 31, 2015.

Primary Government Project Authorizations and Expenditures Since Inception		
Project Category	Authorization	Expenditures Since Inception
Primary Government		
Appraiser	\$ 2,486,460	\$ 1,761,757
Budget & Financial Planning - Econ. Dev.	1,477,732	1,477,732
Election	2,981,844	2,145,525
Emergency Management & Communications	28,127,975	24,965,933
Emergency Medical Services	2,945,768	2,385,306
Environmental	287,500	90,300
Facilities	18,824,627	12,862,195
Information Technology Services	17,218,685	15,303,162
Justice Information Management	874,000	799,435
Library	3,481,790	2,908,533
Mental Health	1,865,529	1,667,643
Public Works	130,424,981	94,062,928
Public Works - Stormwater	324,203,519	286,615,148
Records and Tax Administration	5,739,435	2,678,283
Solid Waste	507,520	121,464
Total	\$ 541,447,365	\$ 449,845,344

12. Pension Plans

A. KPERS/KP&F

Plan Description. Johnson County and the District participate in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.*

Benefits provided. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available joint financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to KPERS (611 S. Kansas Avenue, Suite 100; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 established the KPERS member-employee contribution rate at 4% of covered salary. Beginning July 1, 2009, the percentage was raised to 6% for new employees

only. Beginning January 1, 2015, the percentage for those employees hired prior to July 2009 was raised from 5% to 6%.

K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established for the fiscal year ended December 31, 2015 was 9.48%. The Johnson County employer contributions to KPERS for the years ending December 31, 2015 were \$13,272,353 and equal the required contributions.

On July 1, 2006, new legislation went into effect requiring governmental agencies to pay a KPERS employer contribution rate on certain KPERS retirees who work after retirement (House Substitute for SB 270). The new rate only applies to workers who retired from a different KPERS employer. For example, the rate would not apply to a KPERS County retiree resuming employment with the County. The 2015 employer rate was 15.48% and is calculated on the employee's gross earnings. There is no employee rate assessed.

The KP&F employer rates established for fiscal year 2015 was 21.36% for participating emergency medical staff and sheriff. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer. The Johnson County contributions to KP&F for the years ending December 31, 2015 were \$9,587,043 and were equal to the required contributions.

The Park and Recreation District employer contributions to KPERS for the years ending December 31, 2015 were \$870,114, equal to the statutory required contributions. The Park and Recreation District contributions to KP&F for the years ending December 31, 2015 were \$235,789, equal to the statutory required contributions.

Although KPERS administers one cost sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each group of the plan. The County participates in the local (KPERS) group and the Police and Firemen (KP&F) group.

At December 31, 2015, the County reported a liability of \$98,997,115 for KPERS and \$67,720,621 for KP&F for its proportionate share of the KPERS' collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2015, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The County's proportion of the collective net pension liability was based on the ratio of the County's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions of the KPERS and KP&F for the fiscal year ended June 30, 2015. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2015, the County's proportion and change from its proportion measured as of June 30, 2014 were as follows:

Net Pension liability as of December 31, 2015					
	Governmental Activities	Business-Type Activities	Total	Proportion as of June 30, 2015	Increase in proportion from June 30, 2014
KPERS (local)	\$ 93,552,273	\$ 5,444,842	98,997,115	7.540%	0.005%
KP&F	67,720,621	-	67,720,621	9.326%	-0.011%
	<u>\$ 161,272,894</u>	<u>\$ 5,444,842</u>	<u>\$ 166,717,736</u>		

For the year ended December 31, 2015, the County recognized pension expense of \$6,809,561 for KPERS and \$5,091,495 for KP&F. At December 31, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities		Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 597,905	\$ 3,828,124	\$ 20,085	\$ 107,846
Net difference between projected and actual earnings on pension plan investments	-	5,839,699	-	164,528
Changes in proportionate share	1,191,434	4,023,120	40,022	113,340
Changes in assumptions	-	2,004,319	-	56,466
County contributions subsequent to measurement date	<u>11,135,955</u>	<u>-</u>	<u>374,495</u>	<u>-</u>
Total	<u>\$ 12,925,294</u>	<u>\$ 15,695,263</u>	<u>\$ 434,602</u>	<u>\$ 442,179</u>

The \$11,510,450 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases (decreases) to pension expense as follows:

	Governmental Activities	Business-Type Activities
Year ended December 31:	Deferred Outflows (Inflows) of Resources	Deferred Outflows (Inflows) of Resources
2016	\$ (5,187,731)	\$ (146,148)
2017	(5,187,731)	(146,148)
2018	(5,187,731)	(146,148)
2019	2,270,288	76,263
2020	(615,566)	(17,342)
	<u>\$ (13,908,470)</u>	<u>\$ (379,524)</u>

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	3.00%
Wage inflation	4.00%
Salary increases, including wage increases	4.00% to 16.00%, including inflation
Long-term rate of return, net of investment Expense, and including price inflation	8.00%

Mortality rates were based on the RP-2000 combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted for the three year period beginning December 31, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of June 30, 2015 are summarized in the following table:

Net Pension liability Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	6.30%
Fixed income	13	0.80
Yield driven	8	4.20
Real return	11	1.70
Real estate	11	5.40
Alternatives	8	9.40
Short-term investments	2	(0.50)
Total	100%	

Discount rate. The discount rate used by KPERS to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS' Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in the future. Employers contribute the full actuarial determined rate for KP&F. Future employer contribution rates were also modeled for KP&F assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine to total pension liability.

Sensitivity of the County's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the County's proportionate share of the collective net pension liability calculated using the discount rate of 8.00%, as well as what the County's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
County's KPERS proportionate share of the net pension liability	\$ 140,531,691	\$ 98,997,116	\$ 63,783,988
County's KP&F proportionate share of the net pension liability	98,342,190	67,720,621	41,855,873
	<u>\$ 238,873,881</u>	<u>\$ 166,717,737</u>	<u>\$ 105,639,861</u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued KPERS financial report.

Prior period adjustment. The implementation of GASB 68 resulted in a \$145,671,173 increase to the net pension liability for governmental activities, and a \$8,478,217 increase to the net pension liability for business-type activities; a \$34,954,202 increase to deferred inflows for governmental activities and a \$2,034,372 increase to deferred inflows for business-type activities; a \$11,138,981 increase to deferred outflows for governmental activities and a \$648,301 increase to deferred outflows for business-type activities; and a \$173,601,346 decrease to net position for governmental activities and a \$5,749,336 decrease to net position for business-type activities as of January 1, 2015.

B. Deferred Compensation Plan

The County offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees or other beneficiaries until termination, retirement, death or unforeseeable emergency.

The plan assets have been placed in a trust for the exclusive benefit of the employees and are not the property of the County or subject to the claims of the County's general creditors. The County has no administrative involvement and does not perform the investing function related to this plan. The County has no fiduciary accountability for the plan, and accordingly, the plan assets and related liabilities to plan participants are not included in the basic financial statements.

C. Supplemental Retirement Plans

In 2001, the Board of County Commissioners established three separate single-employer defined contribution plans effective beginning with fiscal year 2002: 1) the Johnson County Supplemental Retirement Plan, 2) the Johnson County Executive Retirement Plan and 3) the Johnson County Elected Retirement Plan. Plan benefit provisions and contribution requirements for each plan were established by Johnson County Resolution No. 094-01 and may be amended by the Board of County Commissioners of Johnson County, Kansas (the Employer). The administrator for these plans will be Johnson County, Kansas. The plans are in accordance with Internal Revenue Code 401(a). A separate audited GAAP-basis pension plan report is not available for the defined contribution pension plans.

The Johnson County Supplemental Retirement Plan was established to provide benefits at retirement to all eligible employees of Johnson County other than elected officials. Substantially all regular employees over the age of eighteen who are scheduled for eighty hours or greater per pay period and any part-time employees who are in positions of ½ full-time equivalent or greater are eligible to participate in this plan. This plan covers all eligible members for the County as of January 1, 2002 provided the eligible employee has opted to participate in the Johnson County Deferred Compensation Plan (as established under Internal Revenue Code Section 457). The minimum participation requirement to the deferred compensation plan is \$10 per pay period in order to qualify for the Employer's matching contribution. The Employer's matching contribution shall be in the amount equal to 100% of the employee's contribution to the deferred compensation plan subject to a maximum of 3% per bi-weekly base salary per pay period. All contributions to this plan are by the Employer, and the amount to be contributed is discretionary and established by the Employer. No contributions by the employees are permitted to this plan. Employees vest in the plan as follows: 20% with one year of service, 40% with two years of service, 60% with three years of service, 80% with four years of service, and 100% with five years of service. Years of service prior to January 1, 2002 will be counted for vesting purposes for this plan.

The Johnson County Executive Retirement Plan was established to provide benefits at retirement for the County Manager. This plan covers one member, who is 100% vested at the time of

enrollment. All contributions to this plan are by the Employer, and the amount to be contributed is discretionary and is determined by the Employer. No employee contributions are permitted.

The Johnson County Elected Retirement Plan was established to provide benefits at retirement for the Elected Officials of the County. This plan covers all elected officials for the County as of January 1, 2002 provided the elected official has opted to participate in the Johnson County Deferred Compensation Plan (as established under Internal Revenue Code Section 457). The minimum participation requirement to the deferred compensation plan is \$10 per pay period in order to qualify for the Employer's matching contribution to the retirement plan. The Employer's matching contribution to the retirement plan shall be in an amount equal to 100% of the Elected Official's contribution to the deferred compensation plan subject to a maximum of 3% per bi-weekly base salary per pay period. All contributions to this plan are by the Employer, and the amount to be contributed is discretionary and established by the Employer. No contributions by the elected officials are permitted to this plan. Elected officials will vest as follows: 25% with one year of service, 50% with two years of service, 75% with three years of service, and 100% vested with four years of service. Years of service prior to January 1, 2002 will be counted for vesting purposes for this plan.

Information Regarding the Supplemental Retirement Plans			
<u>Fiscal Year Ending</u>	Number of Active Participants		
	<u>Employee</u>	<u>Executive</u>	<u>Elected</u>
12/31/2015	1,956	1	6
12/31/2014	1,873	1	5
12/31/2013	1,864	1	6
<u>Fiscal Year Ending</u>	County Contributions		
	<u>Employee</u>	<u>Executive</u>	<u>Elected</u>
12/31/2015	\$ 3,141,491	\$ 8,000	\$ 14,995
12/31/2014	3,005,158	8,000	14,043
12/31/2013	2,921,317	8,000	13,901

13. Conduit Debt Obligations

The County has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2015, there were two issues of industrial revenue bonds outstanding with an original amount of \$22,389,500 and an aggregate principal balance outstanding of \$6,659,460.

14. Postemployment Benefits Other Than Pensions

Plan Description

The County sponsors a single-employer defined benefit healthcare plan that provides healthcare benefits to retirees and their dependents, including medical, dental, and vision coverage. Retiree health coverage is provided for under Kansas Statute 12-5040. Retirees who retire with at least 10 years of

cumulative service with the County and commence retirement or disability benefits under the Kansas Public Employee Retirement System (KPERS) or the Kansas Police and Firemen's Retirement System (KP&F) are eligible for benefits.

The County requires retirees to pay the same premiums charged to COBRA participants for medical, dental, and vision coverage. The COBRA rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these two amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 45 (GASB Statement 45).

Retirees and spouses have the same benefits as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches Medicare eligibility age which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or dies.

Funding Policy

The contribution requirements of plan members and the County are established and may be amended by the County. The contribution is based on pay-as-you-go financing requirements. As of December 31, 2015, the County had 46 participating retirees and the County expended approximately \$911,007 for these benefits.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is equal to the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, plus one year's interest on the beginning balance of the net OPEB obligation, minus any adjustment to the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost of each year and any unfunded actuarial liabilities (or funding excess) amortized over thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount contributed to the plan, and changes in the County's net OPEB obligation to the plan:

Annual Required Contribution (ARC)	\$ 1,779,120
Interest on prior year net OPEB Obligation	458,748
Adjustment to the ARC	(663,236)
Annual OPEB Cost (expense)	1,574,632
Employer Contributions	(911,007)
Increase in net OPEB obligation	663,625
Net Obligation at Beginning of Year	11,468,708
Net Obligation at End of Year	\$ 12,132,333

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior years are as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2013	\$1,530,966	64.8%	\$10,787,003
12/31/2014	1,605,877	57.5%	11,468,708
12/31/2015	1,574,632	57.9%	12,132,333

Funded Status and Funding Progress

As of January 1, 2015, the funded status and funding progress of the plan is as follows:

Actuarial accrued liability (AAL)	\$ 14,871,097
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 14,871,097</u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Annual covered payroll (active plan members)	\$ 155,295,101
UAAL as a percentage of annual covered payroll	9.6%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The valuation includes, for example, assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with the past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present in time, multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation, benefit obligations are computed using the projected unit credit method. The actuarial assumptions included a 3% inflation rate implicitly included in the 4% discount rate, and an annual healthcare cost trend rate of 9% for 2014, reduced by .5% each year to an ultimate rate of 5% in 2022 and beyond. Benefits are attributed to service based on the plan's benefit eligibility provisions. The beginning of the attribution period is the date of hire and the end is the full eligibility date. The unfunded actuarial accrued liability is amortized over a 30 year open period in level dollar amounts. No assets have been segregated and restricted to provide postretirement benefits.

Plan Report

The plan does not issue a stand-alone audited GAAP-basis report.

Parks and Recreation Component Unit OPEB Information:

Plan description and funding policy: The District sponsors a single-employer health care plan that provides medical benefits to employees and retirees. Members who qualify for pension benefits under the Kansas Public Employee Retirement System (KPERS) are eligible for benefits. Under KPERS, a participant must be at least age 55 with at least 10 years of service, meet Rule of 85 at any age, or have at least 10 years of service to qualify for a disability benefit under the KPERS disability benefits program.

Retirees are required to pay 105% of the blended premium rates to receive benefits. Retirees may elect to stay on the District's plan until reaching Medicare eligibility age which is currently 65.

The current funding policy of the District is to pay premiums as they occur. This arrangement does not qualify as OPEB plan assets under GASB for current GASB reporting. The District establishes and amends contribution requirements.

The required contribution is based on projected pay-as-you-go financing. For fiscal year 2015, the District contributed approximately \$71,020. Retirees receiving benefits contributed \$41,635 through their required contributions.

The District's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the District's annual OPEB cost for the year, the amount actuarially contributed to the plan and changes in the District's annual OPEB obligation:

Annual Required Contribution (ARC)	\$ 197,122
Interest on prior year net OPEB Obligation	51,631
Adjustment to the ARC	(74,646)
Annual OPEB Cost (expense)	174,107
Employer Contributions	(71,020)
Increase in net OPEB obligation	103,087
Net Obligation at Beginning of Year	1,290,783
Net Obligation at End of Year	\$ 1,393,870

The Parks and Recreation component unit's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior years are as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2013	\$ 147,587	49.4%	\$ 1,194,222
12/31/2014	175,829	45.1%	1,290,783
12/31/2015	174,107	40.8%	1,393,870

Funded Status and Funding Progress

As of January 1, 2014, the most recent actuarial valuation date, the calculated actuarial accrued liability for 2014 benefits was \$1,477,943. On January 1, 2014, the covered payroll (annual payroll of active employees covered by the plan) was \$8,572,844 and the ratio of the UAAL to the covered payroll was 17.2%. The District's policy is to fund benefits on a pay as you go basis resulting in an unfunded actuarial accrued liability (UAAL) of \$1,477,943.

As of January 1, 2014, the funded status and funding progress of the plan is as follows:

Actuarial accrued liability (AAL)	\$ 1,477,943
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,477,943</u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Annual covered payroll (active plan members)	\$ 8,572,844
UAAL as a percentage of annual covered payroll	17.2%

Actuarial methods and assumptions: The actuarial calculations were performed in accordance with the Projected Unit Credit Actuarial Cost Method as allowed under GASB Statement No. 45. The excess of the AAL over the actuarial value of plan assets is the Unfunded Actuarial Accrued Liability. The Unfunded Actuarial Accrued Liability is amortized over a maximum of 30 years in level dollar amounts on an open period amortization basis. The sum of the normal cost and the amortization of the unfunded actuarial accrued liability is the annual required contribution, which with interest at the valuation date, determines the annual OPEB cost.

The actuarial assumptions included a 3% inflation rate implicitly included in the 4% discount rate, and an annual healthcare cost trend rate of 9.0% for 2014, reduced by .5% each year to an ultimate rate of 5% in 2020 and beyond. Benefits are attributed to service based on the plan's benefit eligibility provisions. The beginning of the attribution period is the date of hire and the end is the full eligibility date. The unfunded actuarial accrued liability is amortized over a 30 year open period in level dollar amounts. No assets have been segregated and restricted to provide postretirement benefits.

15. Termination Benefits - Voluntary Retirement Incentive Program

Description. The County offered a one-time termination incentive to employees eligible for normal or reduced retirement in the Kansas Employees Retirement System between October 14, 2011 and November 29, 2011. Eligible employees were offered incentive pay of one week of regular wages or salary for each year of service, with a minimum of eight (8) weeks and a maximum of sixteen (16) weeks. Additionally, employees were offered a choice between two health incentive options: 1) Employee may purchase continued group health insurance at the active employee rate for five years or until the age of 65, whichever comes first or 2) the Employee receives a lump sum payment of \$6,000 in lieu of health care coverage, subject to income-related tax withholding and other deductions. Voluntary termination was elected by 167 employees: 47 employees elected the medical waiver cash payout option and 120 employees elected to continue in the health insurance program. The County funded cash incentives from a combination of operations and reserves and will fund the health insurance benefits to retirees and their dependents on a pay-as-you-go basis.

The December 31, 2011 actuarial valuation assumed annual healthcare cost trend rates of 9% declining to 7% discounted to the present value utilizing a 4% discount rate. In 2015, \$707,345 of the liability associated with termination benefits was amortized, leaving an unamortized liability of \$561,763.

16. New Governmental Accounting Standards Board (GASB) Statements and Pending Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the County. The County's management has not yet determined the effect these

Statements will have on the County's financial statements. However, the County plans to implement all standards by the required dates. The Statements which might impact the County are as follows:

**GASB Statement No. 72,
*Fair Value Measurement and
Application***

This statement will be effective for the County beginning with its fiscal year 2016. Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

**GASB Statement No. 74,
*Financial Reporting for
Postemployment Benefit Plans
Other Than Pension Plans***

This statement will be effective for the County beginning with its fiscal year 2017. Statement No. 74 establishes financial reporting standards for state and local governmental OPEB plans that are administered through trusts or equivalent arrangements and for governments that hold assets accumulated for purposes of providing OPEB through defined benefit OPEB plans that are not administered through a trust or equivalent arrangement.

**GASB Statement No. 75,
*Accounting and Financial
Reporting by Employers for
Post-Employment Benefits
Other Than Pensions***

This statement will be effective for the County beginning with its fiscal year 2018. Statement No. 75 replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement No. 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements.

**GASB Statement No. 77,
*Tax Abatement
Disclosures***

This statement will be effective for the County beginning with its fiscal year 2016. Statement No. 77 increases the disclosure requirements for tax abatements affecting the government entity and its ability to raise resources in the future. This standard applies to a reporting government's own tax abatement agreements or agreements entered into by other governments and that reduce the reporting government's tax revenues. The government that enters into the agreement must begin disclosing (1) brief descriptive information, such as

the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provision for recapturing abated taxes, and the types of commitments made by tax abatement recipients, (2) the gross dollar amount of taxes abated during the period and (3) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. For governments impacted by other governments' tax abatements, the following must be disclosed: (1) the names of the governments that entered into the agreements, (2) the specific taxes being abated, and (3) the gross dollar amount of taxes abated during the period.

**GASB Statement No. 79,
*Certain External
Investment Pools and
Pool Participants***

This statement will be effective for the County beginning with its fiscal year 2016. Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purpose. This statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals.

**GASB Statement No. 80,
*Blending Requirements
for Certain Component
Units***

This statement will be effective for the County beginning with its fiscal year 2017. Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain organizations Are Component Units*.

**GASB Statement No. 82,
*Pension Issues***

This statement will be effective for the County beginning with its fiscal year 2017. Statement No. 82 addresses certain issues that have been raised with respect to Statement No. 67, Statement No. 68 and Statement No. 73. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in the Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Required Supplementary Information

Defined Benefit Pension Plans

Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Three Fiscal Years*

	2015	2014	2013
County's proportion of the collective net pension liability:			
KPERS (local group)	7.540%	7.501%	7.425%
KP&F (police & firemen)	9.326%	9.428%	10.079%
County's proportionate share of the collective net pension liability	\$ 166,717,737	\$ 154,149,390	\$ 194,955,744
County's covered-employee payroll ^	\$ 170,475,855	\$ 167,621,405	\$ 165,160,382
County's proportionate share of the collective net pension liability as a percentage of its covered-employee payroll	98%	92%	118%
Plan fiduciary net position as a percentage of the total pension liability	64.95%	66.60%	59.94%

* GASB 68 requires presentation of ten years. As of December 31, 2015, only three years of information is available.

^ Covered payroll is measured as of the measurement date ending June 30.

Defined Benefit Pension Plans (continued)

Schedule of County's Contributions
Kansas Public Employees Retirement System
Last Three Fiscal Years*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 22,320,655	\$ 19,062,423	\$ 17,327,048
Contributions in relation to the contractually required contribution	<u>(22,320,655)</u>	<u>(19,062,423)</u>	<u>(17,327,048)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 (Client's) covered-employee payroll ^	 \$174,516,244	 \$168,610,329	 \$166,408,377
 Contributions as a percentage of covered-employee payroll	 12.79%	 11.31%	 10.41%

* GASB 68 requires presentation of ten years. As of December 31, 2015, only three years of information is available.

^ Covered payroll is measured as of the fiscal year end December 31.

Changes in benefit terms for KPERS. In the state fiscal year 2014, the KP&F group had a change in benefit terms. The Legislature increased this group's employee contributions to 7.15 percent and eliminated the reduction of employee contributions to 2.0 percent after 32 years of service. In addition, the maximum retirement benefit increased to 90 percent of final average salary (reached at 36 years of service). Before this change the maximum retirement benefit was limited to 80 percent of final average salary (reached at 32 years of service).

Effective January 1, 2014, KPERS 1 member's employee contribution rate increased to 5.0 percent and then on January 1, 2015, increased to 6.0 percent, with an increase in benefit multiplier to 1.85 percent for future years of service. For KPERS 2 members retiring after July 1, 2012, the cost of living adjustment (COLA) is eliminated, but members will receive a 1.85 percent multiplier for all years of service.

January 1, 2015, the KPERS 3 cash balance plan became effective. Members enrolled in this plan are ones first employed in a KPERS covered position on or after January 1, 2015, or

KPERS 1 or KPERS 2 members who left employment before vesting and returned to employment on or after January 1, 2015. The retirement benefit is an annuity based on the account balance at retirement.

Schedule of Funding Progress – Other Postemployment Benefits Other Than Pensions

The schedules of funding progress presented below provide a consolidated snapshot of the County's ability to meet current and future liabilities with plan assets. The first schedule below does not include the Parks and Recreation Component Unit information.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/01/08	-	\$ 10,080,935	\$ 10,080,935	-	\$ 161,933,134	6.2%
01/01/10	-	10,386,055	10,386,055	-	180,247,137	5.8%
01/01/12	-	16,095,527	16,095,527	-	167,765,798	9.6%
01/01/14	-	15,037,574	15,037,574	-	150,771,943	10.0%

Parks and Recreation Component Unit

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/01/09	-	\$ 1,583,140	\$ 1,583,140	-	\$ 7,618,470	20.8%
01/01/12	-	1,293,888	\$ 1,293,888	-	7,764,203	16.7%
01/01/14	-	1,477,943	1,477,943	-	8,572,844	17.2%

Nonmajor Governmental Funds

Special Revenue Funds

Developmental Supports Fund –accounts for all revenues and expenditures of the Developmental Supports agency. Developmental Supports is a community-based service agency providing a variety of vocational, employment, training, living, and case management services to persons with developmental disabilities and their families. The primary sources of revenue are dedicated ad valorem and motor vehicle taxes, Federal/State aid, and various charges for services that are restricted for use by the Developmental Supports agency.

Library Fund –accounts for all revenues and expenditures of operating the library system. The primary sources of revenue are dedicated ad valorem and motor vehicle taxes.

Library Gift Fund –accounts for contributions and donations by patrons and supporters of the Library and is restricted per statute K.S.A. 12-1225 to expenditures for the Library system.

Stream Maintenance Fund – accounts for royalty payments from sand removed from the Kansas River as it flows through Johnson County. Per statute K.S.A. 82a-309, these funds are to be used for the cleaning, maintenance, and preservation of the property along, in or over the river.

Mental Health Fund – accounts for all revenues and expenditures of the Mental Health agency. The Mental Health Center provides a broad range of services including 24-hour emergency services and outpatient services for individuals and families in Johnson County. Mental Health provides services to both adults and children with severe and persistent mental illness. The Center also operates a community-based treatment program for seriously disabled adults, an adult detoxification center, and a 20-bed residential treatment facility for adolescents suffering from substance abuse problems. The primary sources of revenue are dedicated ad valorem and motor vehicle taxes, Federal/State aid, and various charges for services that are restricted for use by the Mental Health Center.

Developer Fees Fund – accounts for fees in-lieu-of parkland dedications from land developers in Johnson County. Revenues are to be used for public parkland and recreation purposes, in accordance with Article 27(6)(E) of the Johnson County Zoning and Subdivision Regulations.

Public Health Fund – accounts for all revenues and expenditures of the Public Health agency. Public Health provides a broad range of services including control and prevention of communicable disease and bioterrorism, and the promotion of health and wellness. Additionally, the department protects the environment of the community through services that monitor, control, or eliminate contaminants and through public education about environmental issues. The primary sources of revenue are dedicated ad valorem taxes and motor vehicle taxes, Federal/State aid, and various charges for services that are restricted for use by the Public Health agency.

911 Telephone Fund – accounts for the 2% tax collected by service suppliers providing exchange telephone services. The proceeds from this tax are restricted to fund the 911 system throughout Johnson County per statute K.S.A 12-5304. The 2011 Kansas Legislature passed Senate Bill 50, which replaced existing 911 statutes with a new 911 fee structure, governance process, fee distribution mechanism, and auditing requirements. This fund is gradually being replaced by the new 911 Fund.

911 Fund – accounts for \$.53 per month per subscriber account of any exchange telecommunications service, wireless telecommunications service, VoIP service, or other service capable of contacting a public safety answering point (PSAP), per statute K.S.A. 12-5369. This new statute took effect on January 1, 2012, and will gradually replace the County's current 911 Telephone and 911 Wireless Telephone Funds.

County Clerk Technology Fund – accounts for proceeds from additional fees and charges assessed by the Register of Deeds pursuant to K.S.A 28-115. The funds are restricted for the purposes of acquiring equipment and technological services for the storing, recording, archiving, retrieving, maintaining and

handling of data recorded, stored or generated in the office of the County Clerk as authorized by the provisions of Section 16 of House Bill 2643.

County Treasurer Technology Fund – accounts for proceeds from additional fees and charges assessed by the Register of Deeds pursuant to K.S.A 28-115. The funds are restricted for the purposes of acquiring equipment and technological services for the storing, recording, archiving, retrieving, maintaining and handling of data recorded, stored or generated in the office of the County Treasurer as authorized by the provisions of Section 17 of House Bill 2643.

District Attorney Forfeited Property Fund – accounts for proceeds from property seized by the District Attorney pursuant to state and federal regulations. The proceeds are restricted for training purposes and contributions to non-profit agencies which deal in public safety and crime prevention issues per statute K.S.A. 60-4117.

Sheriff Forfeited Property Fund – accounts for proceeds from property seized in drug-related cases pursuant to state and federal regulations. The funds are restricted for special law enforcement and prosecutorial purposes and cannot be used for normal operating expenditures per statute K.S.A. 60-4117.

Controlled Substance Fund – accounts for tax assessments and penalties from persons who manufacture, produce, ship, transport, import, or possess certain quantities of controlled substances pursuant to state statute. The funds are restricted solely for law enforcement and criminal prosecution activities per statute K.S.A. 79-5202.

Alcohol Tax Fund – accounts for the revenues received from the local alcohol liquor tax authorized by the Kansas Legislature. Funds must be expended for alcoholism and drug abuse prevention programs per statute K.S.A. 65-4060.

Prosecutor Training Fund – accounts for a portion of the court costs assessed in every court case. The funds are restricted for training of prosecuting attorney personnel per statute K.S.A. 28-170.

911 Wireless Telephone Fund – accounts for the 25 cents per month fee assessed on each wireless phone in Johnson County. The proceeds from the fee are restricted to provide wireless 911 phone service and for equipment directly related to the reception and processing of the wireless 911 calls by public safety dispatch centers per statute K.S.A.12-5330. The 2011 Kansas Legislature passed Senate Bill 50, which replaced existing 911 statutes with a new 911 fee structure, governance process, fee distribution mechanism, and auditing requirements. This fund is gradually being replaced by the new 911 Fund.

Weapons Licensure Fund –accounts for the revenues and expenditures incurred by the Sheriff's office in administering the applications for licenses for the concealed carry of firearms. Statute K.S.A. 75-7c05 requires applicants to pay a fee to the Sheriff that is to be used for the purposes of administering the license application process.

Debt Service Funds

Debt Service Fund – accounts for property tax levied and special assessment tax levied which are used to make principal and interest payments on all general obligation and special assessment bonds with governmental commitment, certain notes and capital leases, excluding Park and Recreation District bonds and debt accounted for in the proprietary funds.

Library Special Use Fund – accounts for the revenues and expenditures of financing capital improvement projects for the Johnson County Library System. Per statute K.S.A. 12-1257, this fund is to be used for the acquisition of sites, and for the constructing, equipping, repairing, remodeling and furnishing of buildings for county library purposes and to pay a portion of the principal and interest on bonds issued for those purposes. The primary sources of revenue are dedicated ad valorem and motor vehicle taxes.

Capital Projects Funds

Register of Deeds Technology Fund – accounts for fees collected for recording documents at a fixed price per page. Per statute K.S.A. 28-115a, the funds may only be used to acquire equipment and technological services for the storing, recording, archiving, retrieving, maintaining and handling of land or property records filed or maintained by the County.

Stormwater Fund – accounts for all revenues and expenditures of the Stormwater Management Program. The primary revenue source is a Countywide 1/10 of one percent retail sales tax that is dedicated to the purposes of planning, constructing, maintaining and managing Stormwater improvements in Johnson County.

Public Works Fund – accounts for all revenues and expenditures of the Public Works agencies. The Public Works agency maintains and improves County roads and bridges as well as providing equipment maintenance and traffic control services. It also provides funding for the County Assisted Road System (CARS) program, which provides matching funds to cities within the County for various road and bridge projects. The primary sources of revenue are dedicated ad valorem and motor vehicle taxes, Federal/State aid, and various charges for services that are restricted for use by the Public Works agency.

County Building Fund – accounts for the revenues and expenditures associated with the acquisition, construction, and renovation of County buildings. Per statute K.S.A. 19-15.116, this fund is to be used for the acquisition, construction, and renovation of County buildings or to pay a portion of the principal and interest on bonds issued for the buildings. The statute allows for an annual tax levy not to exceed one mill for a period not to exceed ten years. The primary sources of revenue are dedicated ad valorem and motor vehicle taxes.

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Deposits including investments	\$ 21,364,592	\$ 1,229,708	\$ 11,736,146	\$ 34,330,446
Receivables (net of allowance for uncollectibles):	56,210,941	2,816,498	16,056,596	75,084,035
Inventories	102,183	-	555,676	657,859
Prepays	87,344	44,455	28,530	160,329
Restricted cash and investments	-	119	-	119
Total assets	\$ 77,765,060	\$ 4,090,780	\$ 28,376,948	\$ 110,232,788
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 871,658	\$ 72,387	\$ 56,480	\$ 1,000,525
Salaries and wages payable	2,106,751	-	160,015	2,266,766
Due to others	2,745	-	-	2,745
Unearned revenue	1,167,771	-	-	1,167,771
Total liabilities	4,148,925	72,387	216,495	4,437,807
Deferred Inflows of Resources:				
Property tax receivable	52,979,929	2,816,498	13,696,809	69,493,236
Unavailable revenue - accounts receivable	552,968	-	-	552,968
Total deferred inflows of resources	53,532,897	2,816,498	13,696,809	70,046,204
Fund Balances:				
Nonspendable	189,527	44,455	584,206	818,188
Restricted	10,663,890	1,157,440	10,074,759	21,896,089
Committed	352,717	-	27,902	380,619
Assigned	8,877,104	-	3,776,777	12,653,881
Total fund balances	20,083,238	1,201,895	14,463,644	35,748,777
Total liabilities, deferred inflows of resources and fund balances	\$ 77,765,060	\$ 4,090,780	\$ 28,376,948	\$ 110,232,788

Johnson County, Kansas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 56,684,903	\$ 2,151,785	\$ 26,750,147	\$ 85,586,835
Intergovernmental	10,626,435	-	10,504,611	21,131,046
Charges for services	19,604,053	1,135	1,072,284	20,677,472
Investment earnings	153,161	2,168	187,028	342,357
Licenses and permits	1,444,613	-	13,375	1,457,988
Other	894,594	-	140,102	1,034,696
Total revenues	89,407,759	2,155,088	38,667,547	130,230,394
EXPENDITURES				
Current:				
General government	163,715	-	116,559	280,274
Public works	-	-	10,414,436	10,414,436
Public safety	4,152,648	-	-	4,152,648
Health and human services	61,730,237	-	-	61,730,237
Culture and recreation	21,435,174	118,832	-	21,554,006
Debt service:				
Principal retirement	-	1,635,000	-	1,635,000
Interest and fiscal charges	-	209,523	-	209,523
Capital Outlay	118,153	905,879	500,420	1,524,452
Total expenditures	87,599,927	2,869,234	11,031,415	101,500,576
Excess (deficiency) of revenues over (under) expenditures	1,807,832	(714,146)	27,636,132	28,729,818
OTHER FINANCING SOURCES (USES)				
Transfers in	556,075	1,071,155	1,118,140	2,745,370
Transfers out	(1,655,773)	(975,743)	(29,812,645)	(32,444,161)
Total other financing sources and uses	(1,099,698)	95,412	(28,694,505)	(29,698,791)
Net change in fund balances	708,134	(618,734)	(1,058,373)	(968,973)
Fund balances - beginning	19,375,104	1,820,629	15,522,017	36,717,750
Fund balances - ending	\$ 20,083,238	\$ 1,201,895	\$ 14,463,644	\$ 35,748,777

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue
December 31, 2015

	Developmental Supports	Library	Library Gift	Stream Maintenance	Mental Health	Developer Fees	Public Health	911 Telephone	911 Fund	County Clerk Technology
ASSETS										
Deposits including investments	\$ 3,811,012	\$ 5,446,936	\$ 229,457	\$ 5,383	\$ 1,078,972	\$ 112,222	\$ 1,099,624	\$ 198,494	\$ 6,806,911	\$ 248,761
Receivables (net of allowance for uncollectibles):	10,397,009	25,031,860	-	-	12,488,489	-	8,293,583	-	-	-
Inventories	-	-	-	-	-	-	102,183	-	-	-
Prepays	-	49,818	-	-	19,500	-	-	-	18,026	-
Total assets	\$ 14,208,021	\$ 30,528,614	\$ 229,457	\$ 5,383	\$13,586,961	\$ 112,222	\$ 9,495,390	\$ 198,494	\$ 6,824,937	\$ 248,761

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES,
AND FUND BALANCES**

Liabilities:										
Accounts payable	\$ 75,454	\$ 445,678	\$ 22,694	\$ -	\$ 194,491	\$ -	\$ 90,318	\$ 140	\$ 42,683	\$ -
Salaries and wages payable	582,983	459,762	-	-	751,349	-	312,657	-	-	-
Due to others	382	-	-	-	-	-	2,363.00	-	-	-
Unearned revenue	95,868	388,172	-	-	186,731	-	497,000	-	-	-
Total liabilities	754,687	1,293,612	22,694	-	1,132,571	-	902,338	140	42,683	-
Deferred Inflows of Resources:										
Property tax receivable	10,055,987	24,499,587	-	-	11,422,675	-	7,001,680	-	-	-
Unavailable revenue - accounts receivable	189,996	3,534	-	-	44	-	359,394	-	-	-
Total deferred inflows of resources	10,245,983	24,503,121	-	-	11,422,719	-	7,361,074	-	-	-
Fund Balances:										
Nonspendable		49,818	-	-	19,500	-	102,183	-	18,026	-
Restricted	2,586,414	-	-	-	216,575	2,423	-	119,888	6,679,495	248,182
Committed	97,500	-	-	-	145,418	109,799	-	-	-	-
Assigned	523,437	4,682,063	206,763	5,383	650,178	-	1,129,795	78,466	84,733	579
Total fund balances	3,207,351	4,731,881	206,763	5,383	1,031,671	112,222	1,231,978	198,354	6,782,254	248,761
Total liabilities, deferred inflows of resources and fund balances	\$ 14,208,021	\$ 30,528,614	\$ 229,457	\$ 5,383	\$13,586,961	\$ 112,222	\$ 9,495,390	\$ 198,494	\$ 6,824,937	\$ 248,761

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue
December 31, 2015

	County Treasurer Technology	District Attorney Forfeited Property	Sheriff Forfeited Property	Controlled Substance	Alcohol Tax	Prosecutor Training	911 Wireless Telephone	Weapons License	Total
ASSETS									
Deposits including investments	\$ 85,007	\$ 134,960	\$ 1,299,416	\$ 213,359	\$ 171,271	\$ 43,622	\$ 323,111	\$ 56,074	\$ 21,364,592
Receivables (net of allowance for uncollectibles):	-	-	-	-	-	-	-	-	56,210,941
Inventories	-	-	-	-	-	-	-	-	102,183
Prepays	-	-	-	-	-	-	-	-	87,344
Total assets	\$ 85,007	\$ 134,960	\$ 1,299,416	\$ 213,359	\$ 171,271	\$ 43,622	\$ 323,111	\$ 56,074	\$ 77,765,060
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ 871,658
Salaries and wages payable	-	-	-	-	-	-	-	-	2,106,751
Due to others	-	-	-	-	-	-	-	-	2,745
Unearned revenue	-	-	-	-	-	-	-	-	1,167,771
Total liabilities	-	-	-	-	-	200	-	-	4,148,925
Deferred Inflows of Resources:									
Property tax receivable	-	-	-	-	-	-	-	-	52,979,929
Unavailable revenue - accounts receivable	-	-	-	-	-	-	-	-	552,968
Total deferred inflows of resources	-	-	-	-	-	-	-	-	53,532,897
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	189,527
Restricted	84,467	24,377	53,201	210,575	166,818	-	271,475	-	10,663,890
Committed	-	-	-	-	-	-	-	-	352,717
Assigned	540	110,583	1,246,215	2,784	4,453	43,422	51,636	56,074	8,877,104
Total fund balances	85,007	134,960	1,299,416	213,359	171,271	43,422	323,111	56,074	20,083,238
Total liabilities and fund balances	\$ 85,007	\$ 134,960	\$ 1,299,416	\$ 213,359	\$ 171,271	\$ 43,622	\$ 323,111	\$ 56,074	\$ 77,765,060

Johnson County, Kansas
**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**
Nonmajor Governmental Funds - Special Revenue
For the Year Ended December 31, 2015

	Developmental Supports	Library	Library Gift	Stream Maintenance	Mental Health	Developer Fees	Public Health	911 Telephone	911 Fund	County Clerk Technology
REVENUES										
Taxes	\$ 10,532,473	\$21,158,102	\$ -	\$ -	\$13,814,750	\$ -	\$6,796,836	\$ 109,083	\$4,142,881	\$ -
Intergovernmental	1,667,288	150,090	-	-	4,630,488	-	4,178,569	-	-	-
Charges for services	8,818,848	149,882	-	-	8,701,414	-	1,437,545	-	-	248,182
Investment earnings	31,145	50,967	838	-	25,499	-	-	3,979	29,653	579
Licenses and permits	-	652,174	-	-	-	-	553,632	-	-	-
Other	59,870	382,738	80,405	859	174,387	-	173,666	-	-	-
Total revenues	21,109,624	22,543,953	81,243	859	27,346,538	-	13,140,248	113,062	4,172,534	248,761
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	816,489	3,051,020	-
Health and human services	20,973,517	-	-	-	27,542,537	-	13,214,183	-	-	-
Culture and recreation	-	21,380,434	54,740	-	-	-	-	-	-	-
Capital outlay	85,879	-	-	-	-	-	14,085	-	-	-
Total expenditures	21,059,396	21,380,434	54,740	-	27,542,537	-	13,228,268	816,489	3,051,020	-
Excess (deficiency) of revenues over (under) expenditures	50,228	1,163,519	26,503	859	(195,999)	-	(88,020)	(703,427)	1,121,514	248,761
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	-	-	506,075	-	50,000	-	-	-
Transfers out	-	(798,996)	-	-	(617,694)	-	(1,800)	(197,380)	-	-
Total other financing sources and uses	-	(798,996)	-	-	(111,619)	-	48,200	(197,380)	-	-
Net change in fund balances	50,228	364,523	26,503	859	(307,618)	-	(39,820)	(900,807)	1,121,514	248,761
Fund balances - beginning	3,157,123	4,367,358	180,260	4,524	1,339,289	112,222	\$1,271,798	1,099,161	5,660,740	-
Fund balances - ending	\$ 3,207,351	\$ 4,731,881	\$ 206,763	\$ 5,383	\$ 1,031,671	\$ 112,222	\$1,231,978	\$ 198,354	\$6,782,254	\$ 248,761

Johnson County, Kansas
**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**
Nonmajor Governmental Funds - Special Revenue
For the Year Ended December 31, 2015

	County Treasurer Technology	District Attorney Forfeited Property	Sheriff Forfeited Property	Controlled Substance	Alcohol Tax	Prosecutor Training	911 Wireless Telephone	Weapons Licenseure	Total
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ 5,419	\$ 125,359	\$ -	\$ -	\$ -	\$ 56,684,903
Intergovernmental	-	-	-	-	-	-	-	-	10,626,435
Charges for services	248,182	-	-	-	-	-	-	-	19,604,053
Investment earnings	540	742	5,842	1,022	786	-	1,569	-	153,161
Licenses and permits	-	12,976	170,354	-	-	-	-	55,477	1,444,613
Other	-	-	-	-	-	22,669	-	-	894,594
Total revenues	248,722	13,718	176,196	6,441	126,145	22,669	1,569	55,477	89,407,759
EXPENDITURES									
Current:									
General government	163,715	-	-	-	-	-	-	-	163,715
Public safety	-	13,724	-	-	71,439	28,850	-	171,126	4,152,648
Health and human services	-	-	-	-	-	-	-	-	61,730,237
Culture and recreation	-	-	-	-	-	-	-	-	21,435,174
Capital outlay	-	18,189	-	-	-	-	-	-	118,153
Total expenditures	163,715	31,913	-	-	71,439	28,850	-	171,126	87,599,927
Excess (deficiency) of revenues over (under) expenditures	85,007	(18,195)	176,196	6,441	54,706	(6,181)	1,569	(115,649)	1,807,832
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	-	-	556,075
Transfers out	-	-	-	-	(39,903)	-	-	-	(1,655,773)
Total other financing sources and uses	-	-	-	-	(39,903)	-	-	-	(1,099,698)
Net change in fund balances	85,007	(18,195)	176,196	6,441	14,803	(6,181)	1,569	(115,649)	708,134
Fund balances - beginning	-	153,155	1,123,220	206,918	156,468	49,603	321,542	171,723	19,375,104
Fund balances - ending	\$ 85,007	\$ 134,960	\$ 1,299,416	\$ 213,359	\$ 171,271	\$ 43,422	\$ 323,111	\$ 56,074	\$ 20,083,238

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds - Debt Service
December 31, 2015

	Debt Service	Library Special Use	Total
ASSETS			
Deposits including investments	\$ 390,219	\$ 839,489	\$ 1,229,708
Receivables (net of allowance for uncollectibles):	-	2,816,498	2,816,498
Prepays	-	44,455	44,455
Restricted cash and investments	119	-	119
Total assets	\$ 390,338	\$ 3,700,442	\$ 4,090,780
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 72,387	\$ 72,387
Total liabilities	-	72,387	72,387
Deferred Inflows of Resources:			
Property tax receivable	-	2,816,498	2,816,498
Total deferred inflows of resources	-	2,816,498	2,816,498
Fund Balances:			
Nonspendable	-	44,455	44,455
Restricted	390,338	767,102	1,157,440
Total fund balances	390,338	811,557	1,201,895
Total liabilities, deferred inflows of resources and fund balances	\$ 390,338	\$ 3,700,442	\$ 4,090,780

Johnson County, Kansas
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Debt Service
For the Year Ended December 31, 2015

	Debt Service	Library Special Use	Total
REVENUES			
Taxes	\$ 10,622	\$ 2,141,163	\$ 2,151,785
Charges for services	1,135	-	1,135
Investment earnings	2,168	-	2,168
Total revenues	13,925	2,141,163	2,155,088
EXPENDITURES			
Current:			
Culture and recreation	-	118,832	118,832
Debt service:			
Principal retirement	1,635,000	-	1,635,000
Interest and fiscal charges	209,523	-	209,523
Capital outlay	-	905,879	905,879
Total expenditures	1,844,523	1,024,711	2,869,234
Excess (deficiency) of revenues over (under) expenditures	(1,830,598)	1,116,452	(714,146)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,071,155	-	1,071,155
Transfers out	-	(975,743)	(975,743)
Total other financing sources and uses	1,071,155	(975,743)	95,412
Net change in fund balances	(759,443)	140,709	(618,734)
Fund balances - beginning	1,149,781	670,848	1,820,629
Fund balances - ending	\$ 390,338	\$ 811,557	\$ 1,201,895

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds - Capital Projects
December 31, 2015

	Register of Deeds Technology	Stormwater	Public Works	County Building	Total
ASSETS					
Deposits including investments	\$ 4,836,778	\$ 2,764,222	\$ 4,085,713	\$ 49,433	\$ 11,736,146
Receivables (net of allowance for uncollectibles):	-	2,359,787	13,089,204	607,605	16,056,596
Inventories	-	-	555,676	-	555,676
Prepays	22,844	-	5,686	-	28,530
Total assets	\$ 4,859,622	\$ 5,124,009	\$ 17,736,279	\$ 657,038	\$ 28,376,948
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 24,175	\$ 474	\$ 31,831	\$ -	\$ 56,480
Salaries and wages payable	-	13,153	146,862	-	160,015
Due to others	-	-	-	-	-
Total liabilities	24,175	13,627	178,693	-	216,495
Deferred Inflows of Resources:					
Property tax receivable	-	-	13,089,204	607,605	13,696,809
Total deferred inflows of resources	-	-	13,089,204	607,605	13,696,809
Fund Balances:					
Nonspendable	22,844	-	561,362	-	584,206
Restricted	4,611,020	3,666,474	1,797,265	-	10,074,759
Committed	-	-	-	27,902	27,902
Assigned	201,583	1,443,908	2,109,755	21,531	3,776,777
Total fund balances	4,835,447	5,110,382	4,468,382	49,433	14,463,644
Total liabilities, deferred inflows of resources and fund balances	\$ 4,859,622	\$ 5,124,009	\$ 17,736,279	\$ 657,038	\$ 28,376,948

Johnson County, Kansas
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects
For the Year Ended December 31, 2015

	Register of Deeds Technology	Stormwater	Public Works	County Building	Total
REVENUES					
Taxes	\$ -	\$ 13,369,406	\$ 13,034,121	\$ 346,620	\$ 26,750,147
Intergovernmental	-	-	10,504,611	-	10,504,611
Charges for services	993,670	-	78,614	-	1,072,284
Investment earnings	23,854	161,584	-	1,590	187,028
Licenses and permits	-	-	13,375	-	13,375
Other	-	2,794	137,308	-	140,102
Total revenues	1,017,524	13,533,784	23,768,029	348,210	38,667,547
EXPENDITURES					
Current:					
General government	116,559	-	-	-	116,559
Public works	-	479,556	9,934,880	-	10,414,436
Capital outlay	-	-	64,616	435,804	500,420
Total expenditures	116,559	479,556	9,999,496	435,804	11,031,415
Excess (deficiency) of revenues over (under) expenditures	900,965	13,054,228	13,768,533	(87,594)	27,636,132
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	1,118,140	-	1,118,140
Transfers out	(613,686)	(13,191,881)	(16,007,078)	-	(29,812,645)
Total other financing sources and uses	(613,686)	(13,191,881)	(14,888,938)	-	(28,694,505)
Net change in fund balances	287,279	(137,653)	(1,120,405)	(87,594)	(1,058,373)
Fund balances - beginning	4,548,168	5,248,035	5,588,787	137,027	15,522,017
Fund balances - ending	\$ 4,835,447	\$ 5,110,382	\$ 4,468,382	\$ 49,433	\$ 14,463,644

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Developmental Supports Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 10,484,140	\$ 10,484,140	\$ 10,532,473	\$ 48,333
Intergovernmental	1,760,670	1,760,670	1,667,288	(93,382)
Charges for services	9,423,283	9,423,283	8,818,848	(604,435)
Investment earnings	48,845	48,845	31,145	(17,700)
Other	92,971	92,971	59,870	(33,101)
Total revenues	<u>21,809,909</u>	<u>21,809,909</u>	<u>21,109,624</u>	<u>(700,285)</u>
EXPENDITURES				
Current:				
Health and human services	21,650,042	21,650,042	20,960,767	689,275
Capital outlay	159,867	159,867	85,879	73,988
Reserves	2,530,463	2,530,463	-	2,530,463
Total expenditures	<u>24,340,372</u>	<u>24,340,372</u>	<u>21,046,646</u>	<u>3,293,726</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,530,463)</u>	<u>(2,530,463)</u>	<u>62,978</u>	<u>2,593,441</u>
Net change in fund balances	<u>(2,530,463)</u>	<u>(2,530,463)</u>	<u>62,978</u>	<u>\$ 2,593,441</u>
Fund balances - beginning	<u>2,530,463</u>	<u>2,530,463</u>	<u>3,144,368</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,207,346</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Library Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 21,137,408	\$ 21,137,408	\$ 21,158,102	\$ 20,694
Intergovernmental	233,066	233,066	150,090	(82,976)
Charges for services	158,113	158,113	149,882	(8,231)
Investment earnings	86,374	86,374	58,979	(27,395)
Licenses and permits	-	-	652,174	652,174
Other	1,066,550	1,066,550	382,738	(683,812)
Total revenues	<u>22,681,511</u>	<u>22,681,511</u>	<u>22,551,965</u>	<u>(129,546)</u>
EXPENDITURES				
Current:				
Culture and recreation	22,323,099	22,323,099	21,394,673	928,426
Capital outlay	8,412	8,412	-	8,412
Reserves	2,903,739	2,903,739	-	2,903,739
Total expenditures	<u>25,235,250</u>	<u>25,235,250</u>	<u>21,394,673</u>	<u>3,840,577</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,553,739)</u>	<u>(2,553,739)</u>	<u>1,157,292</u>	<u>3,711,031</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(786,865)	(786,865)	(798,996)	(12,131)
Total other financing sources and uses	<u>(786,865)</u>	<u>(786,865)</u>	<u>(798,996)</u>	<u>(12,131)</u>
Net change in fund balances	<u>(3,340,604)</u>	<u>(3,340,604)</u>	<u>358,296</u>	<u>\$ 3,698,900</u>
Fund balances - beginning	<u>3,340,604</u>	<u>3,340,604</u>	<u>4,311,053</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,669,349</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Stream Maintenance Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Other	\$ 5,000	\$ 5,000	\$ 859	\$ (4,141)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>859</u>	<u>(4,141)</u>
EXPENDITURES				
Current:				
Reserves	3,287	3,287	-	3,287
Total expenditures	<u>3,287</u>	<u>3,287</u>	<u>-</u>	<u>3,287</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,713</u>	<u>1,713</u>	<u>859</u>	<u>(854)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(5,000)	(5,000)	-	5,000
Total other financing sources and uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>5,000</u>
Net change in fund balances	<u>(3,287)</u>	<u>(3,287)</u>	<u>859</u>	<u>\$ 4,146</u>
Fund balances - beginning	<u>3,287</u>	<u>3,287</u>	<u>4,524</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,383</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Mental Health Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 13,763,547	\$ 13,763,547	\$ 13,814,750	\$ 51,203
Intergovernmental	5,220,412	5,220,412	4,630,488	(589,924)
Charges for services	9,843,448	9,843,448	8,701,414	(1,142,034)
Investment earnings	48,350	48,350	25,499	(22,851)
Other	78,965	78,965	174,387	95,422
Total revenues	<u>28,954,722</u>	<u>28,954,722</u>	<u>27,346,538</u>	<u>(1,608,184)</u>
EXPENDITURES				
Current:				
Health and human services	28,663,029	28,663,029	27,543,323	1,119,706
Capital outlay	215,400	215,400	-	215,400
Reserves	619,329	619,329	-	619,329
Total expenditures	<u>29,497,758</u>	<u>29,497,758</u>	<u>27,543,323</u>	<u>1,954,435</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(543,036)</u>	<u>(543,036)</u>	<u>(196,785)</u>	<u>346,251</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	19,120	19,120	506,075	486,955
Transfers out	(95,413)	(95,413)	(617,694)	(522,281)
Total other financing sources and uses	<u>(76,293)</u>	<u>(76,293)</u>	<u>(111,619)</u>	<u>(35,326)</u>
Net change in fund balances	<u>(619,329)</u>	<u>(619,329)</u>	<u>(308,404)</u>	<u>\$ 310,925</u>
Fund balances - beginning	<u>619,329</u>	<u>619,329</u>	<u>1,339,293</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,030,889</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Developer Fees Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for services	\$ 9,800	\$ 9,800	\$ -	\$ (9,800)
Total revenues	<u>9,800</u>	<u>9,800</u>	<u>-</u>	<u>(9,800)</u>
EXPENDITURES				
Current:				
Reserves	112,222	112,222	-	112,222
Total expenditures	<u>112,222</u>	<u>112,222</u>	<u>-</u>	<u>112,222</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(102,422)</u>	<u>(102,422)</u>	<u>-</u>	<u>102,422</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(9,800)	(9,800)	-	9,800
Total other financing sources and uses	<u>(9,800)</u>	<u>(9,800)</u>	<u>-</u>	<u>9,800</u>
Net change in fund balances	<u>(112,222)</u>	<u>(112,222)</u>	<u>-</u>	<u>\$ 112,222</u>
Fund balances - beginning	<u>112,222</u>	<u>112,222</u>	<u>112,222</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,222</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Public Health Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 6,779,917	\$ 6,779,917	\$ 6,796,836	\$ 16,919
Intergovernmental	4,480,184	4,480,184	4,178,569	(301,615)
Charges for services	1,645,064	1,645,064	1,437,545	(207,519)
Licenses and permits	702,434	702,434	553,632	(148,802)
Other	133,763	133,763	173,666	39,903
Total revenues	<u>13,741,362</u>	<u>13,741,362</u>	<u>13,140,248</u>	<u>(601,114)</u>
EXPENDITURES				
Current:				
Health and human services	13,941,362	13,941,362	13,191,793	749,569
Capital outlay	-	-	14,085	(14,085)
Reserves	794,991	794,991	-	794,991
Total expenditures	<u>14,736,353</u>	<u>14,736,353</u>	<u>13,205,878</u>	<u>1,530,475</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(994,991)</u>	<u>(994,991)</u>	<u>(65,630)</u>	<u>929,361</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	50,000	50,000
Transfers out	-	-	(1,800)	(1,800)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>48,200</u>	<u>48,200</u>
Net change in fund balances	<u>(994,991)</u>	<u>(994,991)</u>	<u>(17,430)</u>	<u>\$ 977,561</u>
Fund balances - beginning	<u>994,991</u>	<u>994,991</u>	<u>1,130,489</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,113,059</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
911 Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Tax	\$ 4,000,000	\$ 4,000,000	\$ 4,142,881	\$ 142,881
Investment earnings	34,978	34,978	29,653	(5,325)
Total revenues	<u>4,034,978</u>	<u>4,034,978</u>	<u>4,172,534</u>	<u>137,556</u>
EXPENDITURES				
Current:				
Public safety	3,250,000	3,250,000	2,699,600	550,400
Capital outlay	1,200,000	1,200,000	-	1,200,000
Reserves	4,046,481	4,046,481	-	4,046,481
Total expenditures	<u>8,496,481</u>	<u>8,496,481</u>	<u>2,699,600</u>	<u>5,796,881</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,461,503)</u>	<u>(4,461,503)</u>	<u>1,472,934</u>	<u>5,934,437</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(4,461,503)</u>	<u>(4,461,503)</u>	<u>1,472,934</u>	<u>\$ 5,934,437</u>
Fund balances - beginning	<u>4,461,503</u>	<u>4,461,503</u>	<u>5,245,283</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,718,217</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
911 Telephone Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ -	\$ -	\$ 109,083	\$ 109,083
Investment earnings	23,184	23,184	3,979	(19,205)
Total revenues	<u>23,184</u>	<u>23,184</u>	<u>113,062</u>	<u>89,878</u>
EXPENDITURES				
Current:				
Public safety	460,443	460,443	904,386	(443,943)
Capital outlay	600,001	600,001	926	599,075
Total expenditures	<u>1,060,444</u>	<u>1,060,444</u>	<u>905,312</u>	<u>155,132</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,037,260)</u>	<u>(1,037,260)</u>	<u>(792,250)</u>	<u>245,010</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(197,380)</u>	<u>(197,380)</u>	<u>(197,380)</u>	<u>-</u>
Total other financing sources and uses	<u>(197,380)</u>	<u>(197,380)</u>	<u>(197,380)</u>	<u>-</u>
Net change in fund balances	<u>(1,234,640)</u>	<u>(1,234,640)</u>	<u>(989,630)</u>	<u>\$ 245,010</u>
Fund balances - beginning	<u>1,234,640</u>	<u>1,234,640</u>	<u>1,059,442</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,812</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
District Attorney Forfeited Property Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Investment earnings	\$ 1,156	\$ 1,156	\$ 742	\$ (414)
Licenses and permits	25,000	25,000	12,976	(12,024)
Total revenues	<u>26,156</u>	<u>26,156</u>	<u>13,718</u>	<u>(12,438)</u>
EXPENDITURES				
Current:				
Public safety	26,156	26,156	13,724	12,432
Capital outlay	-	-	18,189	(18,189)
Reserves	117,990	117,990	-	117,990
Total expenditures	<u>144,146</u>	<u>144,146</u>	<u>31,913</u>	<u>112,233</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(117,990)</u>	<u>(117,990)</u>	<u>(18,195)</u>	<u>99,795</u>
Net change in fund balances	<u>(117,990)</u>	<u>(117,990)</u>	<u>(18,195)</u>	<u>\$ 99,795</u>
Fund balances - beginning	<u>117,990</u>	<u>117,990</u>	<u>153,155</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,960</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Sheriff Forfeited Property Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Investment earnings	\$ 7,968	\$ 7,968	\$ 5,842	\$ (2,126)
Licenses and permits	60,000	60,000	170,354	110,354
Total revenues	<u>67,968</u>	<u>67,968</u>	<u>176,196</u>	<u>108,228</u>
EXPENDITURES				
Current:				
Public safety	299,548	299,548	-	299,548
Reserves	20,000	20,000	-	20,000
Total expenditures	<u>319,548</u>	<u>319,548</u>	<u>-</u>	<u>319,548</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(251,580)</u>	<u>(251,580)</u>	<u>176,196</u>	<u>427,776</u>
Net change in fund balances	<u>(251,580)</u>	<u>(251,580)</u>	<u>176,196</u>	<u>\$ 427,776</u>
Fund balances - beginning	<u>251,580</u>	<u>251,580</u>	<u>1,123,220</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,299,416</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Controlled Substance Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 5,000	\$ 5,000	\$ 5,419	\$ 419
Investment earnings	1,153	1,153	1,022	(131)
Total revenues	<u>6,153</u>	<u>6,153</u>	<u>6,441</u>	<u>288</u>
EXPENDITURES				
Current:				
Public safety	58,441	58,441	-	58,441
Reserves	10,000	10,000	-	10,000
Total expenditures	<u>68,441</u>	<u>68,441</u>	<u>-</u>	<u>68,441</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(62,288)</u>	<u>(62,288)</u>	<u>6,441</u>	<u>68,729</u>
Net change in fund balances	<u>(62,288)</u>	<u>(62,288)</u>	<u>6,441</u>	<u>\$ 68,729</u>
Fund balances - beginning	<u>62,288</u>	<u>62,288</u>	<u>206,918</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,359</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Alcohol Tax Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 110,000	\$ 110,000	\$ 125,359	\$ 15,359
Investment earnings	1,342	1,342	786	(556)
Total revenues	<u>111,342</u>	<u>111,342</u>	<u>126,145</u>	<u>14,803</u>
EXPENDITURES				
Current:				
Public safety	92,222	92,222	71,439	20,783
Reserves	139,229	139,229	-	139,229
Total expenditures	<u>231,451</u>	<u>231,451</u>	<u>71,439</u>	<u>160,012</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(120,109)</u>	<u>(120,109)</u>	<u>54,706</u>	<u>174,815</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(19,120)	(19,120)	(39,903)	(20,783)
Total other financing sources and uses	<u>(19,120)</u>	<u>(19,120)</u>	<u>(39,903)</u>	<u>(20,783)</u>
Net change in fund balances	<u>(139,229)</u>	<u>(139,229)</u>	<u>14,803</u>	<u>\$ 154,032</u>
Fund balances - beginning	<u>139,229</u>	<u>139,229</u>	<u>156,468</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 171,271</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Prosecutor Training Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for services	\$ 29,000	\$ 29,000	\$ -	\$ (29,000)
Other	-	-	22,669	22,669
Total revenues	<u>29,000</u>	<u>29,000</u>	<u>22,669</u>	<u>(6,331)</u>
EXPENDITURES				
Current:				
Public safety	29,000	29,000	28,950	50
Reserves	46,016	46,016	-	46,016
Total expenditures	<u>75,016</u>	<u>75,016</u>	<u>28,950</u>	<u>46,066</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(46,016)</u>	<u>(46,016)</u>	<u>(6,281)</u>	<u>39,735</u>
Net change in fund balances	<u>(46,016)</u>	<u>(46,016)</u>	<u>(6,281)</u>	<u>\$ 39,735</u>
Fund balances - beginning	<u>46,016</u>	<u>46,016</u>	<u>49,603</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,322</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
911 Wireless Telephone Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Investment earnings	\$ 8,793	\$ 8,793	\$ 1,569	\$ (7,224)
Total revenues	<u>8,793</u>	<u>8,793</u>	<u>1,569</u>	<u>(7,224)</u>
EXPENDITURES				
Public safety	-	-	(3,731)	3,731
Capital outlay	113,719	113,719	-	113,719
Total expenditures	<u>113,719</u>	<u>113,719</u>	<u>(3,731)</u>	<u>117,450</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(104,926)</u>	<u>(104,926)</u>	<u>5,300</u>	<u>110,226</u>
Net change in fund balances	<u>(104,926)</u>	<u>(104,926)</u>	<u>5,300</u>	<u>\$ 110,226</u>
Fund balances - beginning	<u>104,926</u>	<u>104,926</u>	<u>276,405</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 281,705</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Weapons Licensure Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Licenses and permits	\$ 75,000	\$ 75,000	\$ 55,477	\$ (19,523)
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>55,477</u>	<u>(19,523)</u>
EXPENDITURES				
Public safety	176,284	176,284	171,126	5,158
Reserves	10,000	10,000	-	10,000
Total expenditures	<u>186,284</u>	<u>186,284</u>	<u>171,126</u>	<u>15,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(111,284)</u>	<u>(111,284)</u>	<u>(115,649)</u>	<u>(4,365)</u>
Net change in fund balances	<u>(111,284)</u>	<u>(111,284)</u>	<u>(115,649)</u>	<u>\$ (4,365)</u>
Fund balances - beginning	<u>111,284</u>	<u>111,284</u>	<u>171,723</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,074</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 13,609	\$ 13,609	\$ 10,622	\$ (2,987)
Charges for services	-	-	1,135	1,135
Investment earnings	-	-	2,168	2,168
Total revenues	<u>13,609</u>	<u>13,609</u>	<u>13,925</u>	<u>316</u>
EXPENDITURES				
Current:				
Debt Service:				
Principal retirement	1,088,739	1,088,739	900,000	188,739
Interest and fiscal charges	30,881	30,881	188,737	(157,856)
Reserves	356,707	356,707	-	356,707
Total expenditures	<u>1,476,327</u>	<u>1,476,327</u>	<u>1,088,737</u>	<u>387,590</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(1,462,718)</u>	<u>(1,462,718)</u>	<u>(1,074,812)</u>	<u>387,906</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,086,011	1,086,011	1,071,155	(14,856)
Total other financing sources and uses	<u>1,086,011</u>	<u>1,086,011</u>	<u>1,071,155</u>	<u>(14,856)</u>
Net change in fund balances	<u>(376,707)</u>	<u>(376,707)</u>	<u>(3,657)</u>	<u>\$ 373,050</u>
Fund balances - beginning	<u>376,707</u>	<u>376,707</u>	<u>434,643</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 430,986</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Library Special Use Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 2,139,077	\$ 2,139,077	\$ 2,141,163	\$ 2,086
Other	2,690	2,690	-	(2,690)
Total revenues	<u>2,141,767</u>	<u>2,141,767</u>	<u>2,141,163</u>	<u>(604)</u>
EXPENDITURES				
Current:				
Culture and recreation	208,869	208,869	106,906	101,963
Capital outlay	-	-	905,879	(905,879)
Reserves	782,276	782,276	-	782,276
Total expenditures	<u>991,145</u>	<u>991,145</u>	<u>1,012,785</u>	<u>(21,640)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,150,622</u>	<u>1,150,622</u>	<u>1,128,378</u>	<u>(22,244)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,942,898)	(1,942,898)	(975,743)	967,155
Total other financing sources and uses	<u>(1,942,898)</u>	<u>(1,942,898)</u>	<u>(975,743)</u>	<u>967,155</u>
Net change in fund balances	<u>(792,276)</u>	<u>(792,276)</u>	<u>152,635</u>	<u>\$ 944,911</u>
Fund balances - beginning	<u>792,276</u>	<u>792,276</u>	<u>658,922</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 811,557</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Stormwater Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 13,296,521	\$ 13,296,521	\$ 13,369,406	\$ 72,885
Investment earnings	387,973	387,973	207,730	(180,243)
Other	-	-	2,794	2,794
Total revenues	<u>13,684,494</u>	<u>13,684,494</u>	<u>13,579,930</u>	<u>(104,564)</u>
EXPENDITURES				
Current:				
Public works	492,612	492,612	479,556	13,056
Reserves	4,241,832	4,241,832	-	4,241,832
Total expenditures	<u>4,734,444</u>	<u>4,734,444</u>	<u>479,556</u>	<u>4,254,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,950,050</u>	<u>8,950,050</u>	<u>13,100,374</u>	<u>4,150,324</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(13,191,882)	(13,191,882)	(13,191,881)	1
Total other financing sources and uses	<u>(13,191,882)</u>	<u>(13,191,882)</u>	<u>(13,191,881)</u>	<u>1</u>
Net change in fund balances	<u>(4,241,832)</u>	<u>(4,241,832)</u>	<u>(91,507)</u>	<u>\$ 4,150,325</u>
Fund balances - beginning	<u>4,241,832</u>	<u>4,241,832</u>	<u>4,553,544</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,462,037</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Public Works Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 12,942,788	\$ 12,942,788	\$ 13,034,121	\$ 91,333
Intergovernmental	10,565,948	10,565,948	10,504,611	(61,337)
Charges for services	79,149	79,149	78,614	(535)
Licenses and permits	8,739	8,739	13,375	4,636
Other	26,539	26,539	137,308	110,769
Total revenues	<u>23,623,163</u>	<u>23,623,163</u>	<u>23,768,029</u>	<u>144,866</u>
EXPENDITURES				
Current:				
Public works	10,358,909	10,358,909	10,023,966	334,943
Capital outlay	-	-	19,281	(19,281)
Reserves	3,103,411	3,103,411	-	3,103,411
Total expenditures	<u>13,462,320</u>	<u>13,462,320</u>	<u>10,043,247</u>	<u>3,419,073</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,160,843</u>	<u>10,160,843</u>	<u>13,724,782</u>	<u>3,563,939</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,118,140	1,118,140	1,118,140	-
Transfers out	(16,057,394)	(16,057,394)	(16,007,078)	50,316
Total other financing sources and uses	<u>(14,939,254)</u>	<u>(14,939,254)</u>	<u>(14,888,938)</u>	<u>50,316</u>
Net change in fund balances	<u>(4,778,411)</u>	<u>(4,778,411)</u>	<u>(1,164,156)</u>	<u>\$ 3,614,255</u>
Fund balances - beginning	<u>4,778,411</u>	<u>4,778,411</u>	<u>5,076,864</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,912,708</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
County Building Fund
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 338,542	\$ 338,542	\$ 346,620	\$ 8,078
Investment earnings	6,270	6,270	1,590	(4,680)
Total revenues	<u>344,812</u>	<u>344,812</u>	<u>348,210</u>	<u>3,398</u>
EXPENDITURES				
General Government	10,000	10,000	-	10,000
Capital outlay	-	-	435,804	(435,804)
Reserves	35,070	35,070	-	35,070
Total expenditures	<u>45,070</u>	<u>45,070</u>	<u>435,804</u>	<u>(390,734)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>299,742</u>	<u>299,742</u>	<u>(87,594)</u>	<u>(387,336)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(434,812)	(434,812)	-	434,812
Total other financing sources and uses	<u>(434,812)</u>	<u>(434,812)</u>	<u>-</u>	<u>434,812</u>
Net change in fund balances	<u>(135,070)</u>	<u>(135,070)</u>	<u>(87,594)</u>	<u>\$ 47,476</u>
Fund balances - beginning	<u>135,070</u>	<u>135,070</u>	<u>137,027</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,433</u>	

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Nonmajor Proprietary Funds

Enterprise Funds

Airport – The Airport Fund accounts for all revenues and expenses of the Airport agency, as directed by the Johnson County Airport Commission. The Airport Commission's primary purpose is two-fold: 1) to develop and operate a system of air transportation facilities that will serve the aviation needs of the region; and 2) to develop and operate an industrial real estate development program that contributes to the economic base of the community. Revenues are derived from hangar rentals, user charges and County tax support. Expenses are for the construction, renovation and operation of two airports and an industrial park with water utility and rail service.

Transportation – The Transportation Fund accounts for all revenues and expenses of the transit and commuter rail programs. The primary purpose of this fund is to implement countywide public transportation services. Revenues are primarily from Federal and State grants and County support.

Internal Service Funds

Risk Management - The Risk Management Fund provides for the procurement, administration, and claims handling of property, liability and workers compensation coverage for the County. This Fund maintains reserves to reimburse the County or County agencies for insurable losses not otherwise insured.

Self-Insured Health Care – The Self-Insured Health Care Fund is used to pool the resources accumulated from the various health (medical, dental and vision) coverage premiums paid by employees through payroll deduction and those paid by the County. These resources are used to pay the expenses related to health care coverage.

Fleet Management – The Fleet Management Fund coordinates fleet service operations for County departments. Funding is derived from charges to other County departments for the cost of providing fleet management services.

Johnson County, Kansas
Combining Statement of Net Position
Non-Major Enterprise Funds
December 31, 2015

	Business-type Activities - Enterprise Funds		
	Non-Major		
	Airport	Transportation	Total
ASSETS			
Current assets:			
Deposits including investments	\$ 6,510,492	\$ 4,617,734	\$ 11,128,226
Receivables (net of allowance for uncollectibles):	1,187,444	1,076,349	2,263,793
Total current assets	7,697,936	5,694,083	13,392,019
Noncurrent assets:			
Restricted cash and investments	1,300,668	1,106,745	2,407,413
Capital assets:			
Land	6,935,502	-	6,935,502
Buildings	14,575,148	2,248,187	16,823,335
Improvements other than buildings	30,110,139	10,740,955	40,851,094
Machinery and equipment	2,834,164	21,238,442	24,072,606
Infrastructure	2,216,671	-	2,216,671
Construction in progress	-	3,422,336	3,422,336
Less accumulated depreciation	(33,369,836)	(15,005,496)	(48,375,332)
Total capital assets	23,301,788	22,644,424	45,946,212
Total noncurrent assets	24,602,456	23,751,169	48,353,625
TOTAL ASSETS	32,300,392	29,445,252	61,745,644
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferred outflow	29,237	-	29,237

Johnson County, Kansas
Combining Statement of Net Position
Non-Major Enterprise Funds
December 31, 2015

	Business-type Activities - Enterprise Funds		
	Non-Major		
	Airport	Transportation	Total
LIABILITIES			
Current liabilities			
Accounts payable	600,498	1,188,228	1,788,726
Salaries and wages payable	39,428	491	39,919
Interest payable	49,211	-	49,211
Due to others	42,452	16,156	58,608
Unearned Revenue	24,676	-	24,676
Compensated absences	6,706	469	7,175
Bonds, capital leases, and other payables	490,155	-	490,155
Total current liabilities	1,253,126	1,205,344	2,458,470
Noncurrent liabilities:			
Compensated absences	94,791	6,635	101,426
Loans payable			-
Pension obligation	366,290	-	366,290
Bonds, capital leases, and other payables	5,058,399	-	5,058,399
Total noncurrent liabilities	5,519,480	6,635	5,526,115
TOTAL LIABILITIES	6,772,606	1,211,979	7,984,585
DEFERRED INFLOWS OF RESOURCES			
Pension deferred inflow	29,746	-	29,746
Unamortized portion of refunding	5,346	-	5,346
TOTAL DEFERRED INFLOWS OF RESOURCES	35,092	-	35,092
NET POSITION			
Net investment in capital assets	17,747,888	22,644,424	40,392,312
Restricted for capital projects	1,300,668	1,106,745	2,407,413
Unrestricted	6,473,375	4,482,104	10,955,479
TOTAL NET POSITION	\$ 25,521,931	\$ 28,233,273	\$ 53,755,204

Johnson County, Kansas
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Non-Major Enterprise Funds
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds		
	Non-Major		
	Airport	Transportation	Total
Operating revenues:			
Charges for services	\$ 3,325,034	\$ 1,344,137	\$ 4,669,171
Other	2,701,075	88,809	2,789,884
Total operating revenues	6,026,109	1,432,946	7,459,055
Operating expenses:			
Transportation	11,250,562	7,629,499	18,880,061
Depreciation	1,503,340	1,829,161	3,332,501
Total operating expenses	12,753,902	9,458,660	22,212,562
Operating income (loss)	(6,727,793)	(8,025,714)	(14,753,507)
Nonoperating revenues (expenses):			
Taxes	668	-	668
Investment earnings	168	-	168
Intergovernmental	-	1,229,675	1,229,675
Interest expense	(102,227)	-	(102,227)
Other	(15,404)	(55)	(15,459)
Total nonoperating revenues (expenses)	(116,795)	1,229,620	1,112,825
Income (loss) before contributions and transfers	(6,844,588)	(6,796,094)	(13,640,682)
Capital contributions	3,960,183	3,546,931	7,507,114
Transfers in	-	4,963,588	4,963,588
Change in net position	(2,884,405)	1,714,425	(1,169,980)
Total net position - beginning	28,793,109	26,518,848	55,311,957
Prior period adjustments	(386,773)	-	(386,773)
Total net position - beginning as restated	28,406,336	26,518,848	54,925,184
Total net position - ending	\$ 25,521,931	\$ 28,233,273	\$ 53,755,204

Johnson County, Kansas
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended December 31, 2015

Business-type Activities - Enterprise Funds			
Non-Major			
	Airport	Transportation	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 2,695,185	\$ 1,257,300	\$ 3,952,485
Cash payments for goods and services	(9,824,155)	(7,552,415)	(17,376,570)
Cash payments to employees for services	(1,175,407)	(207,812)	(1,383,219)
Other operating cash receipts	2,701,075	88,809	2,789,884
	(5,603,302)	(6,414,118)	(12,017,420)
Net cash provided by (used for) operating activities			
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Taxes	668	-	668
Intergovernmental	-	1,229,675	1,229,675
Transfers from other funds	-	4,963,588	4,963,588
Net cash provided by (used for) noncapital financing activities	668	6,193,263	6,193,931
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital Contributions	3,960,183	3,546,931	7,507,114
Acquisition and construction of capital assets	(2,167,305)	(5,305,672)	(7,472,977)
Proceeds from bonds and loans	3,373,955	-	3,373,955
Principal paid on bonds, notes and loans	(405,155)	-	(405,155)
Interest paid on bonds, notes and loans	(89,932)	-	(89,932)
Net cash provided by (used for) capital and related financing activities	4,671,746	(1,758,741)	2,913,005
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends on investments	168	-	168
Net cash provided by investing activities	168	-	168
Net increase (decrease) in cash and cash equivalents	(930,720)	(1,979,596)	(2,910,316)
Cash and cash equivalents at beginning of year	8,741,880	7,704,075	16,445,955
Cash and cash equivalents at end of year	\$ 7,811,160	\$ 5,724,479	\$ 13,535,639

(Continued)

Johnson County, Kansas
Combining Statement of Cash Flows
Non-Major Enterprise Funds (Continued)
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds		
	Non-Major		
	Airport	Transportation	TOTAL
Reconciliation of operating income to net cash provided by (used for) operating activities			
Operating income (loss)	\$ (6,727,793)	\$ (8,025,714)	\$ (14,753,507)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	1,503,340	1,829,161	3,332,501
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(629,849)	(86,837)	(716,686)
(Increase) decrease in prepaid expenses		51,929	51,929
Increase (decrease) in accounts payable	236,505	(100,030)	136,475
Increase (decrease) in salaries and wages payable	7,301	(15,603)	(8,302)
Increase (decrease) in deferred revenue	-	-	-
Increase (decrease) in compensated absences payable	27,168	(67,024)	(39,856)
Increase (decrease) in pension obligation	(19,974)	-	(19,974)
Total adjustments	1,124,491	1,611,596	2,736,087
Net cash provided by (used for) operating activities	\$ (5,603,302)	\$ (6,414,118)	\$ (12,017,420)

Johnson County, Kansas
Combining Statement of Net Position
Internal Service Funds
December 31, 2015

	Risk Management	Self-Insured Health Care	Fleet Management	Total
ASSETS				
Current assets:				
Deposits including investments	\$ 9,131,775	\$ 15,965,207	\$ 1,505,164	\$ 26,602,146
Receivables (net of allowance for uncollectibles):	65,998	-	-	65,998
Inventories	-	-	259,554	259,554
Prepaid items	57,567	-	-	57,567
Total current assets	9,255,340	15,965,207	1,764,718	26,985,265
Noncurrent assets:				
Capital assets:				
Improvements other than buildings	-	-	102,861	102,861
Machinery and equipment	17,718	-	2,411,389	2,429,107
Construction in progress	-	-	1,836	1,836
Less accumulated depreciation	(14,765)	-	(521,490)	(536,255)
Total noncurrent assets	2,953	-	1,994,596	1,997,549
TOTAL ASSETS	9,258,293	15,965,207	3,759,314	28,982,814
LIABILITIES				
Current liabilities				
Accounts payable	2,275	5,976,826	48,371	6,027,472
Salaries and wages payable	12,280	-	29,050	41,330
Compensated absences	1,902	-	4,534	6,436
Voluntary retirement healthcare benefits	-	561,763	-	561,763
Insurance claims payable	2,246,513	2,994,473	-	5,240,986
Total current liabilities	2,262,970	9,533,062	81,955	11,877,987
Noncurrent liabilities:				
Compensated absences	26,889	-	64,086	90,975
Total noncurrent liabilities	26,889	-	64,086	90,975
TOTAL LIABILITIES	2,289,859	9,533,062	146,041	11,968,962
NET POSITION				
Net investment in capital assets	2,953	-	1,994,596	1,997,549
Unrestricted	6,965,481	6,432,145	1,618,677	15,016,303
TOTAL NET POSITION	\$ 6,968,434	\$ 6,432,145	\$ 3,613,273	\$ 17,013,852

Johnson County, Kansas
Combining Statement of Revenues, Expenses,
and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2015

	Risk Management	Self-Insured Health Care	Fleet Management	Total
Operating revenues:				
Charges for services	\$ 3,844,849	\$ 38,560,016	\$ 2,558,111	\$ 44,962,976
Other	75,168	-	10,500	85,668
Total operating revenues	3,920,017	38,560,016	2,568,611	45,048,644
Operating expenses:				
Personal services	373,676	-	962,994	1,336,670
Contractual services	3,228,590	43,732,141	419,535	47,380,266
Commodities	3,313	-	1,094,775	1,098,088
Depreciation	3,544	-	178,139	181,683
Total operating expenses	3,609,123	43,732,141	2,655,443	49,996,707
Operating income (loss)	310,894	(5,172,125)	(86,832)	(4,948,063)
Nonoperating revenues (expenses):				
Taxes	2,111	-	-	2,111
Investment earnings	40,674	75,683	-	116,357
Intergovernmental	-	-	29,411	29,411
Other	-	-	75,000	75,000
Total nonoperating revenues (expenses)	42,785	75,683	104,411	222,879
Income (loss) before transfers	353,679	(5,096,442)	17,579	(4,725,184)
Transfers In	-	-	755,835	755,835
Transfers Out	-	-	(31,247)	(31,247)
Change in net position	353,679	(5,096,442)	742,167	(4,000,596)
Total net position - beginning	6,614,755	11,528,587	2,871,106	21,014,448
Total net position - ending	\$ 6,968,434	\$ 6,432,145	\$ 3,613,273	\$ 17,013,852

Johnson County, Kansas
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2015

	Risk Management	Self-Insured Health Care	Fleet Management	Total
\$	-	\$ 38,560,016	\$ 2,558,111	\$ 41,118,127
	(3,556,081)	(42,325,070)	(1,519,353)	(47,400,504)
	(373,524)	(707,345)	(955,726)	(2,036,595)
	3,920,017	-	10,500	3,930,517
	(9,588)	(4,472,399)	93,532	(4,388,455)

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received from interfund services provided
Cash payments for goods and services
Cash payments to employees for services
Other operating cash receipts

Net cash provided by (used for) operating activities

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Taxes	2,111	-	-	2,111
Other	-	-	75,000	75,000
Intergovernmental	-	-	29,411	29,411
Transfers from other funds	-	-	755,835	755,835
Transfers to other funds	-	-	(31,247)	(31,247)
Net cash provided by noncapital financing activities	2,111	-	828,999	831,110

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:

Acquisition and construction of capital assets

Net cash provided by (used for) capital and related financing activities	-	-	(943,080)	(943,080)
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CASH FLOWS FROM INVESTING ACTIVITIES:

Interest and dividends on investments

Net cash provided by investing activities	40,674	75,683	-	116,357
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Net increase (decrease) in cash and cash equivalents

	33,197	(4,396,716)	(20,549)	(4,384,068)
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Cash and cash equivalents at beginning of year

	9,098,578	20,361,923	1,525,713	30,986,214
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Cash and cash equivalents at end of year

\$	9,131,775	\$ 15,965,207	\$ 1,505,164	\$ 26,602,146
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(Continued)

Johnson County, Kansas
Combining Statement of Cash Flows
Internal Service Funds (Continued)
For the Year Ended December 31, 2015

	Risk Management	Self-Insured Health Care	Fleet Management	Total
Reconciliation of operating income to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 310,894	\$ (5,172,125)	\$ (86,832)	\$ (4,948,063)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	3,544	-	178,139	181,683
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(21,666)	-	1,000	(20,666)
(Increase) in inventories	-	-	(16,728)	(16,728)
(Increase) decrease in prepaid expenses	(624)	-	-	(624)
Increase (decrease) in accounts payable	1,131	893,127	10,685	904,943
Increase (decrease) in salaries and wages payable	558	-	7,288	7,846
Increase (decrease) in compensated absences payable	(406)	-	(20)	(426)
Increase (decrease) in other post employment benefits	-	(707,345)	-	(707,345)
Increase (decrease) in insurance claims payable	(303,019)	513,944	-	210,925
Total adjustments	(320,482)	699,726	180,364	559,608
Net cash provided by (used for) operating activities	\$ (9,588)	\$ (4,472,399)	\$ 93,532	\$ (4,388,455)

Fiduciary Funds

Fiduciary Funds include all Trust and Agency Funds which account for assets held by the County as a trustee or as an agent for individuals or other governmental units.

Trust Funds

Supplemental Pension Trust - Employees – Accounts for supplemental pension plan contributions from the County for employees and the earnings and profits from investment of monies. Disbursements are made for retirements and withdrawals.

Supplemental Pension Trust - Executive – Accounts for supplemental pension plan contributions from the County for the County Manager and the earnings and profits from investment of monies. Disbursements are made for retirements and withdrawals.

Supplemental Pension Trust - Elected Officials – Accounts for supplemental pension plan contributions from the County for the elected officials and the earnings and profits from investment of monies. Disbursements are made for retirements and withdrawals.

Agency Funds

Medical Reimbursement – This fund holds all monies of those County employees who have chosen to designate certain deductions from their salary for the explicit purpose of medical claims or dependent care.

Inmate – This fund holds and administers the combined accounts of the prisoners of the jail. The accounts are owned by the prisoners, and the County acts only as a custodian of these accounts.

Sheriff Foreclosure – This fund holds proceeds from property foreclosures within the County which the Sheriff's Office has sold by court order. The monies are deposited into the designated financial institution, which holds the funds until the payment clears the issuing financial institution. The Sheriff's Office acts as a custodian for the short time the monies are held. Once the funds clear the issuing financial institution, they are paid to the District Court Clerk to maintain until distribution is ordered by the Court.

Tax Collection – This fund collects and distributes taxes for distribution to other County funds and other governmental units.

Research Triangle – This fund collects and distributes sales taxes dedicated to provide funding, in equal shares, to education projects and programs offered by the University of Kansas, Kansas State University, and the KU Medical Center in Johnson County.

Johnson County, Kansas
Combining Statement of Fiduciary Net Position
Employee Retirement Plan Funds
December 31, 2015

	Supplemental Pension Trust - Employees	Supplemental Pension Trust - Executive	Supplemental Pension Trust - Elected Officials	Total
ASSETS				
Investments restricted for:				
Employee retirement	\$ 35,129,161	\$ 400,135	\$ 160,460	\$ 35,689,756
Annuities	66,883	-	-	66,883
Total assets	35,196,044	400,135	160,460	35,756,639
LIABILITIES				
Due to Others	66,883	-	-	66,883
Total liabilities	66,883	-	-	66,883
NET POSITION				
Held in trust for pension benefits	<u>\$ 35,129,161</u>	<u>\$ 400,135</u>	<u>\$ 160,460</u>	<u>\$ 35,689,756</u>

Johnson County, Kansas
Combining Statement of Changes in Fiduciary Net Position
Employee Retirement Plan Funds
For the Year Ended December 31, 2015

	Supplemental Pension Trust - Employees	Supplemental Pension Trust - Executive	Supplemental Pension Trust - Elected Officials	Total
ADDITIONS				
Contributions:				
Employer	\$ 3,141,491	\$ 8,000	\$ 14,995	\$ 3,164,486
Total contributions	3,141,491	8,000	14,995	3,164,486
Investment earnings:				
Net increase (decrease) in the fair value of investments	(2,364,835)	(9,069)	(16,366)	(2,390,270)
Total investment earnings	(2,364,835)	(9,069)	(16,366)	(2,390,270)
Total additions	776,656	(1,069)	(1,371)	774,216
DEDUCTIONS				
Benefits	-	-	-	-
Total deductions	-	-	-	-
Change in net assets	776,656	(1,069)	(1,371)	774,216
Net position - beginning	34,352,505	401,204	161,831	34,915,540
Net position - ending	\$ 35,129,161	\$ 400,135	\$ 160,460	\$ 35,689,756

Johnson County, Kansas
Combining Statement of Fiduciary Net Position
Agency Funds
December 31, 2015

	Medical Reimbursement	Inmate	Sheriff Foreclosure	Tax Collection	Research Triangle	Totals
Deposits including investments	\$ 200,236	\$ 43,368	\$ -	\$ 632,319,309	\$ -	\$ 632,562,913
Receivables (net of allowance for uncollectibles):						
Taxes receivable	-	-	-	466,634,647	-	466,634,647
Total assets	200,236	43,368	-	1,098,953,956	-	1,099,197,560
LIABILITIES						
Accounts payable	-	-	-	38,133	-	38,133
Agency obligations	200,236	43,368	-	1,098,915,823	-	1,099,159,427
Total liabilities	\$ 200,236	\$ 43,368	\$ -	\$1,098,953,956	\$ -	\$1,099,197,560

Johnson County, Kansas
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2015

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Medical Reimbursement Fund				
ASSETS				
Deposits including investments	\$ 142,803	\$ 1,382,357	\$ 1,324,924	\$ 200,236
Total assets	\$ 142,803	\$ 1,382,357	\$ 1,324,924	\$ 200,236
LIABILITIES				
Accounts payable	\$ -			\$ -
Agency obligations	142,803	2,727,927	2,670,494	200,236
Total liabilities	\$ 142,803	\$ 2,727,927	\$ 2,670,494	\$ 200,236
Inmate Fund				
ASSETS				
Deposits including investments	\$ 190,861	\$ 1,613,101	\$ 1,760,594	\$ 43,368
Total assets	\$ 190,861	\$ 1,613,101	\$ 1,760,594	\$ 43,368
LIABILITIES				
Agency obligations	\$ 190,861	\$ 1,613,101	\$ 1,760,594	\$ 43,368
Total liabilities	\$ 190,861	\$ 1,613,101	\$ 1,760,594	\$ 43,368
Sheriff Foreclosure				
ASSETS				
Deposits including investments	\$ -	\$ 7,454,600	\$ 7,454,600	\$ -
Total assets	\$ -	\$ 7,454,600	\$ 7,454,600	\$ -
LIABILITIES				
Agency obligations	-	7,454,600	7,454,600	-
Total liabilities	\$ -	\$ 7,454,600	\$ 7,454,600	\$ -
Tax Collection Fund				
ASSETS				
Deposits including investments	\$ 583,880,691	\$ 3,238,738,111	\$ 3,190,299,493	\$ 632,319,309
Taxes receivable	429,291,253	466,634,647	429,291,253	466,634,647
Total assets	\$ 1,013,171,944	\$ 3,705,372,758	\$ 3,619,590,746	\$ 1,098,953,956
LIABILITIES				
Accounts payable	\$ 180,786	\$ 947,898,924	\$ 948,041,577	\$ 38,133
Agency obligations	1,012,991,158	3,713,029,045	3,627,104,380	1,098,915,823
Total liabilities	\$ 1,013,171,944	\$ 4,660,927,969	\$ 4,575,145,957	\$ 1,098,953,956
Research Triangle Fund				
ASSETS				
Deposits including investments	\$ -	\$ 16,767,576	\$ 16,767,576	\$ -
Total assets	\$ -	\$ 16,767,576	\$ 16,767,576	\$ -
LIABILITIES				
Accounts payable	\$ -	\$ 16,767,576	\$ 16,767,576	\$ -
Agency obligations	-	16,767,576	16,767,576	-
Total liabilities	\$ -	\$ 33,535,152	\$ 33,535,152	\$ -
Totals - All Agency Funds				
ASSETS				
Deposits including investments	\$ 584,214,355	\$ 3,265,955,745	\$ 3,217,607,187	\$ 632,562,913
Taxes receivable	429,291,253	466,634,647	429,291,253	466,634,647
Total assets	\$ 1,013,505,608	\$ 3,732,590,392	\$ 3,646,898,440	\$ 1,099,197,560
LIABILITIES				
Accounts payable	\$ 180,786	\$ 964,666,500	\$ 964,809,153	\$ 38,133
Agency obligations	1,013,324,822	3,741,592,249	3,655,757,644	1,099,159,427
Total liabilities	\$ 1,013,505,608	\$ 4,706,258,749	\$ 4,620,566,797	\$ 1,099,197,560

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STATISTICAL SECTION

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Statistical Section

The Statistical Section of the Johnson County Comprehensive Annual Financial Report presents detailed information to further understand the information in the financial statements, note disclosures, and required supplementary information. The purpose of this section is to give an indication of the County's overall financial health.

Financial Trends – Provides information to assist readers in understanding how the County's financial performance has changed over time.

Revenue Capacity – Provides information about the County's revenue sources.

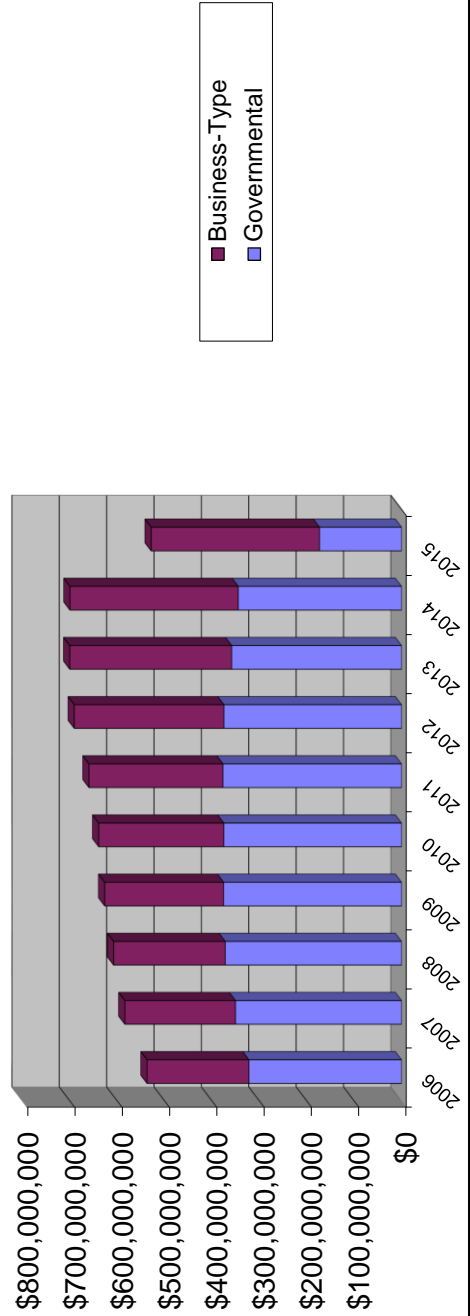
Debt Capacity – Presents information to help the reader understand the County's debt burden and ability to issue additional debt.

Demographic and Economic Information – Provides information about the County's demographic and economic characteristics, including population statistics and employment data.

Operating Information – Assists readers in understanding the overall operations of the County and helps to show the services provided by the County and its economic condition.

	2006	2007	2008	2009	2010*	2011	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 112,300,996	\$ 119,244,891	\$ 143,707,961	\$ 153,740,601	\$ 163,016,990	\$ 169,561,067	\$ 169,788,763	\$ 180,957,031	\$ 157,858,064	\$ 180,687,243
Restricted for:										
Technology Management	-	-	-	-	5,126,074	5,082,273	6,152,465	7,348,790	4,347,814	4,943,888
Public works	-	-	-	-	10,594,183	9,400,296	7,039,999	6,793,145	7,130,129	5,463,739
Law Enforcement	8,238,141	8,930,873	3,013,914	11,994,709	25,189,010	26,751,077	19,405,137	15,271,923	11,716,481	11,150,434
Community Support Services	-	-	-	-	9,612,521	6,882,080	4,054,777	2,416,040	3,584,321	2,969,933
Planning and Economic Development	3,179,500	3,506,695	4,874,350	-	101,136	5,567	21,130	2,423	-	2,423
Libraries, Recreation, and Education	-	-	-	-	4,724,342	2,662,855	1,760,619	1,296,553	-	-
Capital projects	-	-	-	-	-	-	1,526,711	235,797	19,244	-
Debt service	5,013,455	4,822,736	283,994	2,826,554	369,583	1,200,751	1,589,392	1,523,187	1,820,629	1,157,440
Special revenue funds	35,437,648	40,237,457	43,702,643	42,334,109	-	-	-	-	-	-
Unrestricted	158,247,813	174,082,929	176,757,635	164,965,407	156,610,400	155,618,911	163,784,020	162,929,981	158,487,839	(13,016,692)
Subtotal Governmental	\$ 322,417,553	\$ 350,835,581	\$ 372,340,487	\$ 375,861,380	\$ 375,344,239	\$ 377,164,877	\$ 375,125,013	\$ 358,774,870	\$ 344,966,944	\$ 173,388,408
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	\$ 209,272,291	\$ 214,915,235	\$ 214,435,443	\$ 163,793,605	\$ 239,207,065	\$ 245,440,082	\$ 261,009,918	\$ 272,492,993	\$ 271,565,758	\$ 264,692,277
Restricted for:										
Capital projects	5,730,092	18,458,671	21,161,685	67,000,010	22,534,673	2,937,327	5,237,689	4,734,056	8,837,462	13,527,925
Unrestricted	\$ 215,002,383	\$ 233,373,906	\$ 235,597,128	\$ 250,903,626	\$ 264,120,216	\$ 282,782,700	\$ 315,868,833	\$ 341,766,534	\$ 355,209,443	\$ 355,375,405
Subtotal Business-Type										
PRIMARY GOVERNMENT										
Net investment in capital assets	\$ 321,573,287	\$ 334,160,126	\$ 358,143,404	\$ 317,534,206	\$ 402,224,055	\$ 415,001,149	\$ 430,798,681	\$ 433,450,024	\$ 429,423,822	\$ 425,379,520
Restricted for:										
General governmental	-	-	-	-	5,126,074	5,082,273	6,152,465	7,348,790	4,347,814	4,943,888
Public works	-	-	-	-	10,594,183	9,400,296	7,039,999	6,793,145	7,130,129	5,463,739
Public safety	8,238,141	8,930,873	3,013,914	11,994,709	25,189,010	26,751,077	19,405,137	15,271,923	11,716,481	11,150,434
Health and human services	-	-	-	-	9,612,521	6,882,080	4,054,777	2,416,040	3,584,321	2,969,933
Planning and economic development	3,179,500	3,506,695	4,874,350	-	101,136	5,567	21,130	2,423	-	2,423
Culture and recreation	-	-	-	-	4,724,342	2,662,855	1,760,619	1,296,553	-	-
Capital projects	5,013,455	4,822,736	283,994	2,826,554	369,583	1,200,751	1,589,392	1,523,187	1,820,629	1,157,440
Debt service	35,437,648	40,237,457	43,702,643	42,334,109	-	-	-	-	-	-
Special revenue funds	163,977,905	192,551,600	197,919,320	185,075,418	179,145,073	190,024,202	213,405,246	227,469,466	233,294,062	64,138,511
Unrestricted	\$ 537,419,936	\$ 584,209,487	\$ 607,937,625	\$ 626,765,006	\$ 639,164,455	\$ 659,947,577	\$ 690,991,846	\$ 700,541,404	\$ 700,176,387	\$ 528,733,813
TOTAL NET POSITION										

Government and Business-Type Net Position Comparison



* Beginning in 2010, special revenue funds are being broken out by strategic type

Johnson County, Kansas
Changes in Net Position
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental Activities:										
General government	\$ 65,528,919	\$ 71,261,191	\$ 73,360,726	\$ 93,560,733	\$ 99,984,101	\$ 122,559,659	\$ 121,428,691	\$ 114,268,178	\$ 116,879,634	\$ 113,432,544
Public works	48,494,629	54,349,008	46,845,970	48,710,693	52,528,774	39,221,489	56,201,387	58,349,105	69,375,704	58,303,256
Public safety	113,339,836	123,123,775	127,137,837	114,483,555	110,382,044	115,895,790	122,156,637	124,049,242	127,595,752	127,595,752
Health and human services	78,104,338	81,034,438	82,910,854	79,429,418	85,547,641	82,352,302	79,336,842	74,828,392	74,954,082	77,734,970
Planning and economic development	23,774,305	23,527,172	23,110,110	6,082,644	6,072,658	5,259,908	4,101,588	2,859,390	3,286,580	3,342,605
Culture and recreation	21,322,091	22,555,476	23,033,442	23,843,135	22,483,775	22,416,962	21,970,790	22,480,923	23,393,457	24,065,798
Interest on long term debt	1,515,485	1,407,149	1,092,150	778,619	723,558	436,366	372,224	270,723	302,620	215,013
Total governmental activities	\$ 352,079,603	\$ 377,258,209	\$ 377,491,089	\$ 369,214,797	\$ 377,692,551	\$ 388,067,985	\$ 398,807,312	\$ 385,303,328	\$ 412,241,319	\$ 404,629,898
Business Type activities:										
Airport	\$ 4,588,078	\$ 4,700,347	\$ 5,131,328	\$ 4,497,689	\$ 4,792,927	\$ 5,342,515	\$ 4,596,542	\$ 8,407,385	\$ 7,648,184	\$ 12,635,912
Johnson County Wastewater	53,460,298	52,961,673	63,434,950	59,706,568	64,690,942	63,669,520	69,116,271	74,759,112	79,671,343	89,927,860
Transportation	8,001,184	8,422,381	9,289,931	11,157,705	11,649,001	12,982,583	10,319,311	11,138,713	10,959,940	9,027,288
Public Building Commission	6,980,764	8,258,469	7,804,136	10,328,927	12,130,514	17,977,384	17,469,243	17,211,634	18,165,278	21,436,647
Total business type activities	\$ 73,030,324	\$ 74,342,680	\$ 85,660,345	\$ 85,690,489	\$ 93,263,384	\$ 98,972,012	\$ 101,501,367	\$ 111,516,844	\$ 116,444,745	\$ 133,027,777
Program Revenues:										
Governmental Activities:										
Charges for Service:										
General government (1)	\$ 47,725,673	\$ 50,432,484	\$ 43,749,639	\$ 29,511,504	\$ 28,103,834	\$ 28,211,950	\$ 32,162,077	\$ 32,389,816	\$ 29,514,012	\$ 33,371,731
Public works	242,130	322,690	35,493	1,368,741	1,527,831	1,237,385	1,223,692	1,093,011	1,045,481	951,310
Public safety	12,211,065	13,334,433	9,072,340	14,945,006	23,061,294	28,714,044	32,136,708	32,487,644	34,854,521	32,948,929
Health and human services	23,030,979	24,763,252	25,372,061	30,552,098	31,627,358	33,872,222	32,662,181	29,240,742	29,303,808	27,488,922
Planning and economic development	1,050,186	1,411,679	1,202,539	1,334,779	2,367,635	1,677,069	1,664,603	1,903,238	2,086,087	2,292,267
Culture and recreation	677,491	1,453,552	-	344,776	118,330	1,090,644	1,043,562	995,316	1,081,877	685,543
Operating Grants and Contributions	43,643,321	45,264,428	47,057,433	42,591,472	48,716,178	44,051,060	43,176,763	40,523,780	40,289,209	41,223,381
Capital Grants and Contributions	411,553	239,364	203,989	229,118	239,342	600,946	1,090,021	612,612	1,439,262	2,972,374
Total governmental activities	\$ 128,992,398	\$ 137,221,882	\$ 126,693,494	\$ 120,877,494	\$ 135,761,802	\$ 141,455,310	\$ 145,159,607	\$ 139,246,159	\$ 140,224,267	\$ 141,931,457
Business Type activities:										
Charges for Service:										
Airport	\$ 4,298,079	\$ 4,557,409	\$ 5,028,692	\$ 4,656,102	\$ 5,045,869	\$ 5,682,595	\$ 5,116,115	\$ 5,118,087	\$ 5,566,742	\$ 6,026,109
Johnson County Wastewater	60,166,648	65,304,524	62,064,357	67,906,366	71,056,892	74,885,380	83,662,718	89,353,456	93,120,913	97,446,862
Transportation	785,852	989,990	1,406,919	1,585,667	1,892,307	1,476,295	1,627,122	1,702,946	1,940,973	1,432,946
Public Building Commission	9,555,791	8,977,685	10,094,842	10,536,073	16,187,904	20,296,904	28,202,227	21,504,528	20,104,213	19,603,837
Operating Grants and Contributions	3,212,441	4,414,815	2,278,863	5,294,890	7,059,043	10,070,046	5,508,995	824,557	4,789,411	2,095,768
Capital Grants and Contributions	2,865,994	833,630	26,531	3,568,112	2,272	2,042,248	9,062,916	18,364,851	1,900,898	7,507,114
Total business type activities	\$ 80,884,805	\$ 85,078,053	\$ 80,890,204	\$ 93,547,210	\$ 101,244,287	\$ 115,253,468	\$ 132,778,093	\$ 136,868,425	\$ 127,423,150	\$ 134,111,636
Net (Expense)/Revenue:										
Governmental Activities	\$ (221,394,136)	\$ (38,291,204)	\$ (248,604,941)	\$ (246,195,749)	\$ (239,544,711)	\$ (243,911,229)	\$ (250,917,669)	\$ (252,984,930)	\$ (268,555,747)	\$ (259,225,396)
Business Type Activities	6,161,412	8,990,041	(6,962,795)	5,715,167	5,594,865	12,580,010	28,546,690	22,259,342	7,517,100	(2,988,126)
Total primary government net expense	\$ (215,232,724)	\$ (29,301,163)	\$ (255,567,736)	\$ (240,480,582)	\$ (233,949,846)	\$ (231,331,219)	\$ (222,370,979)	\$ (230,705,588)	\$ (261,038,647)	\$ (261,614,522)
General Revenues:										
Governmental Activities:										
Property Taxes	\$ 161,876,560	\$ 173,957,923	\$ 184,292,683	\$ 184,944,586	\$ 178,332,637	\$ 171,345,442	\$ 172,891,220	\$ 172,360,822	\$ 174,290,627	\$ 183,662,657
Sales Taxes	65,068,745	66,816,061	63,684,470	58,948,208	52,415,824	63,692,635	64,721,509	67,233,139	70,202,538	71,633,771
Other Taxes	1,816,751	1,646,312	1,639,876	1,472,563	1,329,971	1,192,532	3,748,232	4,545,476	4,543,089	4,648,964
Unrestricted Investment Earnings	17,540,871	21,469,622	19,525,362	6,646,003	4,186,559	5,943,638	2,428,183	768,252	3,123,281	2,102,754
Miscellaneous	5,940,737	6,268,743	6,235,870	6,618,995	7,467,421	7,886,283	9,453,724	7,631,502	7,105,196	7,038,072
Transfers	(6,067,182)	(3,697,429)	(5,288,404)	(8,913,723)	(4,704,842)	(4,328,863)	(4,367,063)	(4,965,701)	(4,516,910)	(7,868,012)
Total governmental activities	\$ 246,176,482	\$ 266,709,232	\$ 270,109,857	\$ 249,716,632	\$ 239,027,570	\$ 245,731,867	\$ 248,875,805	\$ 247,563,490	\$ 254,747,821	\$ 261,218,206
Business Type activities:										
Property Taxes	\$ 59,615	\$ 8,237	\$ 3,949	\$ 4,192	\$ 2,189	\$ -	\$ 1,562	\$ 2,435	\$ 28	\$ 688
Other Taxes	91	5,675,816	3,811,399	(546,508)	153,471	1,753,568	170,818	(568,562)	1,046,645	435,744
Unrestricted Investment Earnings	4,290,696	-	102,266	1,219,923	2,761,223	43	-	-	362,226	-
Miscellaneous	6,067,182	3,697,429	5,288,404	8,913,723	4,704,842	4,328,863	4,367,063	4,965,701	4,516,910	7,868,012
Transfers	\$ 10,417,584	\$ 9,381,482	\$ 9,186,018	\$ 9,591,330	\$ 7,627,725	\$ 6,082,474	\$ 4,539,443	\$ 4,399,574	\$ 5,925,809	\$ 8,304,424
Total business type activities	\$ 24,782,346	\$ 28,418,028	\$ 21,504,916	\$ 3,520,883	\$ (517,141)	\$ 1,820,638	\$ (2,041,864)	\$ (13,807,926)	\$ (13,807,926)	\$ 1,992,810
Change in Net Position:										
Governmental Activities	\$ 16,578,996	\$ 18,371,523	\$ 2,223,223	\$ 15,306,497	\$ 13,216,590	\$ 18,662,484	\$ 33,086,133	\$ 13,442,909	\$ 13,442,909	\$ 5,915,298
Business Type Activities	\$ 41,361,342	\$ 46,769,551	\$ 23,728,139	\$ 18,827,380	\$ 12,699,449	\$ 20,483,122	\$ 31,044,269	\$ (365,017)	\$ (365,017)	\$ 7,908,108
Total Primary Government	\$ 57,940,338	\$ 65,141,074	\$ 26,451,362	\$ 34,133,877	\$ 25,833,039	\$ 39,145,606	\$ 64,130,402	\$ 12,777,892	\$ 12,777,892	\$ 13,823,406

(1) Indirect cost allocations are recorded in each government and business activity type, but all corresponding charge for service revenue is recorded in the general fund. The revenue is now being allocated across the activity types to present a clearer comparison of charges for services revenue to expenses by each activity.

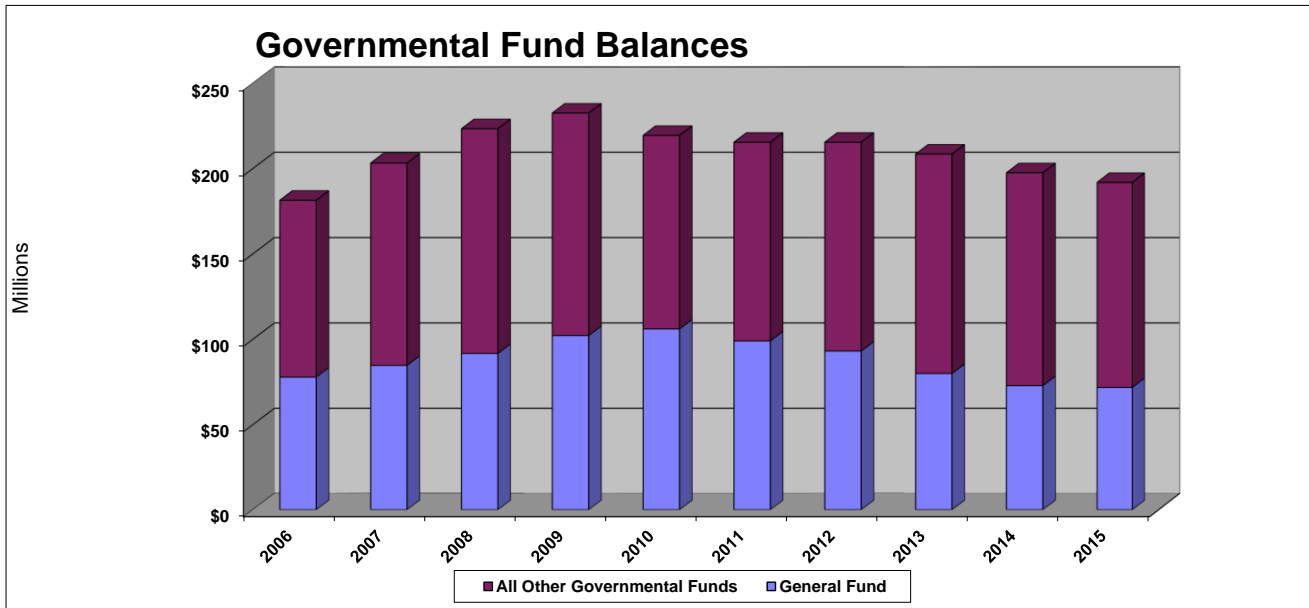
Johnson County, Kansas
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
GENERAL FUND				
Reserved	\$ 12,740,589	\$ 14,280,139	\$ 10,196,363	\$ 13,684,568
Unreserved, reported in:				
Designated for working capital	13,504,578	13,844,930	15,781,297	16,145,687
Designated for restricted agencies	3,372,771	2,592,186	3,075,830	3,232,815
General fund	48,291,140	54,080,473	62,745,436	69,190,584
Total General Fund	\$ 77,909,078	\$ 84,797,228	\$ 91,798,926	\$ 102,253,654

ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 31,603,443	\$ 31,851,111	\$ 30,909,707	\$ 29,981,344
Unreserved, reported in:				
Designated for working capital	-	-	-	-
Debt service fund	717,227	701,097	541,116	569,038
Capital projects fund	41,456,477	51,446,053	61,966,839	58,256,420
Special revenue funds	29,821,286	34,527,447	38,199,483	41,532,252
Total All Other Governmental Funds	\$ 103,598,433	\$ 118,525,708	\$ 131,617,145	\$ 130,339,054

	<u>2010*</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GENERAL FUND						
Nonspendable	\$ 2,463,177	\$ 1,224,989	\$ 817,083	\$ 1,004,755	\$ 1,114,515	\$ 1,020,908
Restricted	21,173,651	21,462,100	12,954,887	7,840,276	4,610,826	3,791,768
Committed	4,446,010	3,236,851	3,596,762	4,993,477	4,123,040	3,555,804
Assigned	1,963,891	1,705,179	3,311,732	3,501,120	2,728,789	3,356,758
Unassigned	76,093,418	71,491,545	72,506,285	62,712,425	60,385,885	60,132,601
Total General Fund	\$ 106,140,147	\$ 99,120,664	\$ 93,186,749	\$ 80,052,053	\$ 72,963,055	\$ 71,857,839

ALL OTHER GOVERNMENTAL FUNDS						
Nonspendable	\$ 1,032,602	\$ 970,533	\$ 794,546	\$ 695,317	\$ 735,655	\$ 841,529
Restricted	34,901,981	30,522,799	28,595,343	27,047,582	24,010,215	21,896,089
Committed	77,421,969	81,713,737	85,403,416	91,006,567	88,343,166	84,697,630
Assigned	-	3,168,703	7,520,934	9,774,934	11,574,966	12,653,881
Total All Other Governmental Funds	\$ 113,356,552	\$ 116,375,772	\$ 122,314,239	\$ 128,524,400	\$ 124,664,002	\$ 120,089,129



* In 2010, the County early implemented GASB Statement No. 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned compared to the past categories of reserved and unreserved.

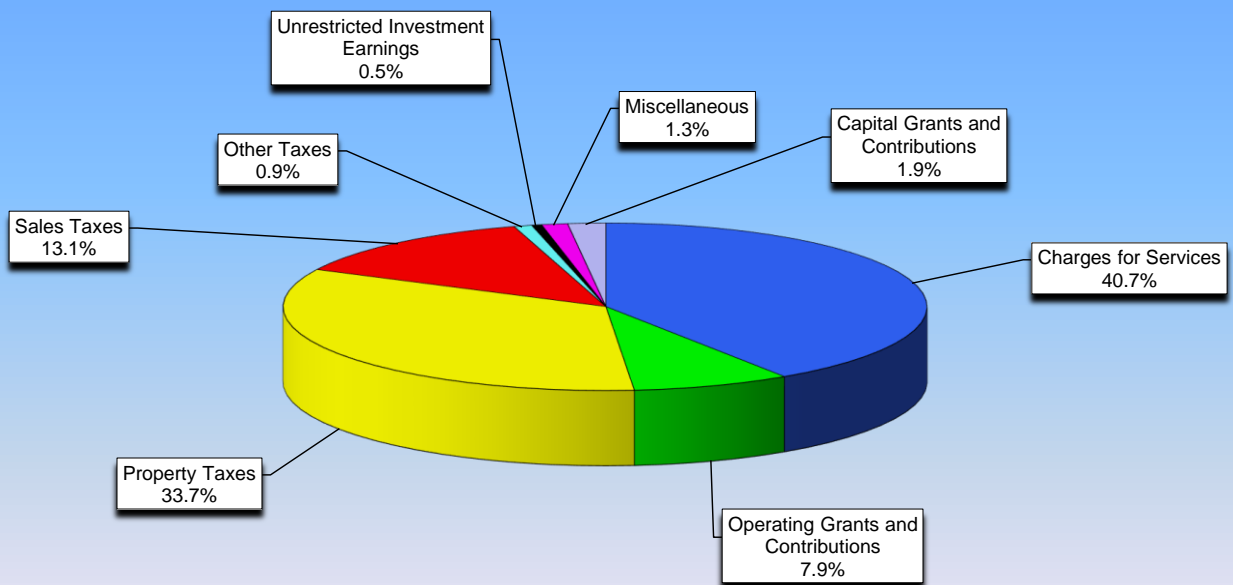
Johnson County, Kansas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

REVENUES	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Taxes	\$ 228,735,916	\$ 242,417,134	\$ 249,614,892	\$ 245,361,507	\$ 232,076,115	\$ 236,230,452	\$ 241,358,517	\$ 244,124,149	\$ 249,036,097	\$ 259,943,281
Intergovernmental	44,054,874	45,503,792	47,261,422	42,820,590	48,955,520	44,652,006	44,266,784	41,136,392	41,728,471	44,195,755
Charges for services	83,065,113	87,704,135	83,487,583	83,497,182	87,280,513	93,621,834	98,504,989	95,588,456	93,225,985	99,200,822
Interest	16,182,301	19,441,431	17,804,744	5,566,291	3,659,272	5,695,019	2,241,411	618,540	2,976,469	1,986,397
Licenses and permits	3,719,810	3,331,951	2,682,432	3,377,189	3,328,991	3,531,425	3,738,162	3,641,075	4,382,202	3,482,943
Other	5,940,737	6,496,744	6,235,870	6,618,994	7,467,421	7,890,883	9,453,724	7,403,655	6,800,810	6,963,072
Total Revenues	381,698,751	404,895,187	407,086,943	387,241,753	382,767,832	391,621,619	399,563,587	392,512,267	398,150,034	415,772,270
EXPENDITURES										
General government	62,833,222	64,737,243	70,963,960	70,303,864	74,921,935	79,796,363	84,833,341	80,381,873	81,536,188	89,463,079
Public works and transportation	9,751,395	9,986,468	10,580,267	10,478,111	10,517,997	10,868,720	10,805,967	9,825,923	9,787,705	38,775,323
Public safety	111,279,298	118,165,755	123,645,258	123,687,441	120,275,025	127,796,327	132,428,058	138,140,037	141,389,861	145,286,759
Health and human services	76,682,752	80,338,521	81,311,709	84,889,660	89,524,748	90,701,089	87,549,917	82,607,589	81,982,659	85,508,099
Planning and economic development	23,746,721	23,485,399	23,070,471	8,754,799	6,468,876	5,841,549	4,494,903	3,399,206	3,781,086	3,840,415
Culture and recreation	20,239,177	21,600,355	22,041,905	22,977,249	21,669,234	21,842,621	21,029,626	21,506,221	22,586,055	23,232,048
Capital outlay	43,710,803	57,852,307	55,275,777	52,759,720	54,114,294	50,381,621	54,858,711	55,188,201	61,430,930	25,579,954
Debt service:										
Principal	3,802,962	3,728,208	9,392,084	3,850,366	10,996,448	3,571,825	3,360,000	1,715,000	1,251,119	4,535,000
Interest	1,482,843	1,359,990	1,236,641	834,222	779,216	492,904	383,045	297,520	300,793	247,317
Total Expenditures	353,529,173	381,254,246	397,518,018	378,535,432	389,267,773	391,293,019	399,743,568	393,061,570	404,046,396	416,467,994
Excess of revenues over (under) expenditures	28,169,578	23,640,941	9,568,925	8,706,321	(6,499,941)	328,600	(179,981)	(549,303)	(5,896,362)	(695,724)
OTHER FINANCING SOURCES (USES)										
Transfers in	49,004,640	62,157,379	49,140,806	41,725,689	34,260,872	37,209,862	38,286,670	42,610,289	46,878,473	40,073,752
Transfers out	(54,986,983)	(65,854,808)	(54,409,210)	(50,639,412)	(38,965,714)	(41,538,725)	(42,550,605)	(48,985,521)	(52,039,373)	(45,058,117)
Proceeds from capital lease	16,223	36,575	-	-	-	-	3,650,000	-	107,866	-
General obligation	-	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	1,410,000	2,361,886	5,414,939	-	730,000	-	-	-
Special obligation bonds issued	-	-	-	-	740,000	-	-	-	-	-
Premium on bonds issued	-	-	12,586	169,505	84,574	-	68,468	-	-	-
Total other financing sources and uses	(5,966,120)	(3,660,854)	(3,845,818)	(6,382,332)	1,534,671	(4,328,863)	184,533	(6,375,232)	(5,053,034)	(4,984,365)
NET CHANGE IN FUND BALANCES	\$ 22,203,458	\$ 19,980,087	\$ 5,723,107	\$ 2,323,989	\$ (4,965,270)	\$ (4,000,263)	\$ 4,552	\$ (6,924,535)	\$ (10,949,396)	\$ (5,680,089)
Debt service as a percentage of noncapital expenditures	1.52%	1.40%	2.84%	1.30%	3.14%	1.07%	0.97%	0.52%	0.39%	1.18%

**Johnson County, Kansas
Government-wide Revenues
Last Ten Fiscal Years**

Fiscal Year	Program Revenues			General Revenues					Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Property Taxes	Sales Taxes	Other Taxes	Unrestricted Investment Earnings	Miscellaneous	
2015	\$ 222,244,456	\$ 43,319,149	\$ 10,479,488	\$ 183,663,325	\$ 71,633,771	\$ 4,648,964	\$ 2,538,498	\$ 7,038,072	\$ 545,565,723
2014	219,228,637	45,078,620	3,340,160	174,290,655	70,202,538	4,543,089	4,169,926	7,467,422	528,321,047
2013	215,788,784	41,348,337	18,977,463	172,363,257	67,223,139	4,545,476	199,690	7,631,502	528,077,648
2012	219,099,005	48,685,758	10,152,937	172,892,782	64,721,509	3,748,232	2,599,001	9,453,724	531,352,948
2011	199,144,478	54,921,106	2,643,194	171,345,442	63,692,635	1,192,532	7,697,406	7,886,326	508,523,119
2010	180,989,254	55,775,221	241,614	178,334,826	52,415,824	1,329,971	4,340,030	10,228,644	483,655,384
2009	162,741,112	47,886,362	3,797,230	184,948,778	58,948,208	1,472,563	6,099,495	7,838,918	473,732,666
2008	158,016,882	49,336,296	230,520	184,296,632	63,684,470	1,639,876	23,336,761	6,338,136	486,879,573
2007	171,547,698	49,679,243	1,072,994	173,966,160	66,816,061	1,646,312	27,165,438	6,496,744	498,390,650
2006	159,743,894	46,855,762	3,277,547	161,936,175	65,068,745	1,816,842	21,831,567	5,940,737	466,471,269

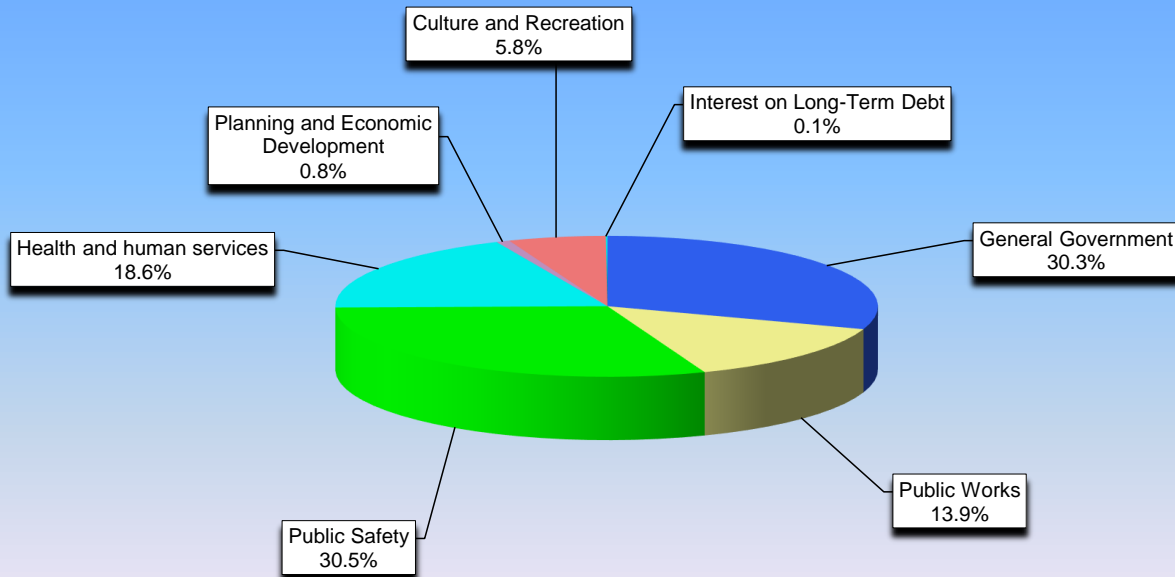
Government-wide Revenues for 2015



Johnson County, Kansas
Government-wide Expenses by Function
Last Ten Fiscal Years

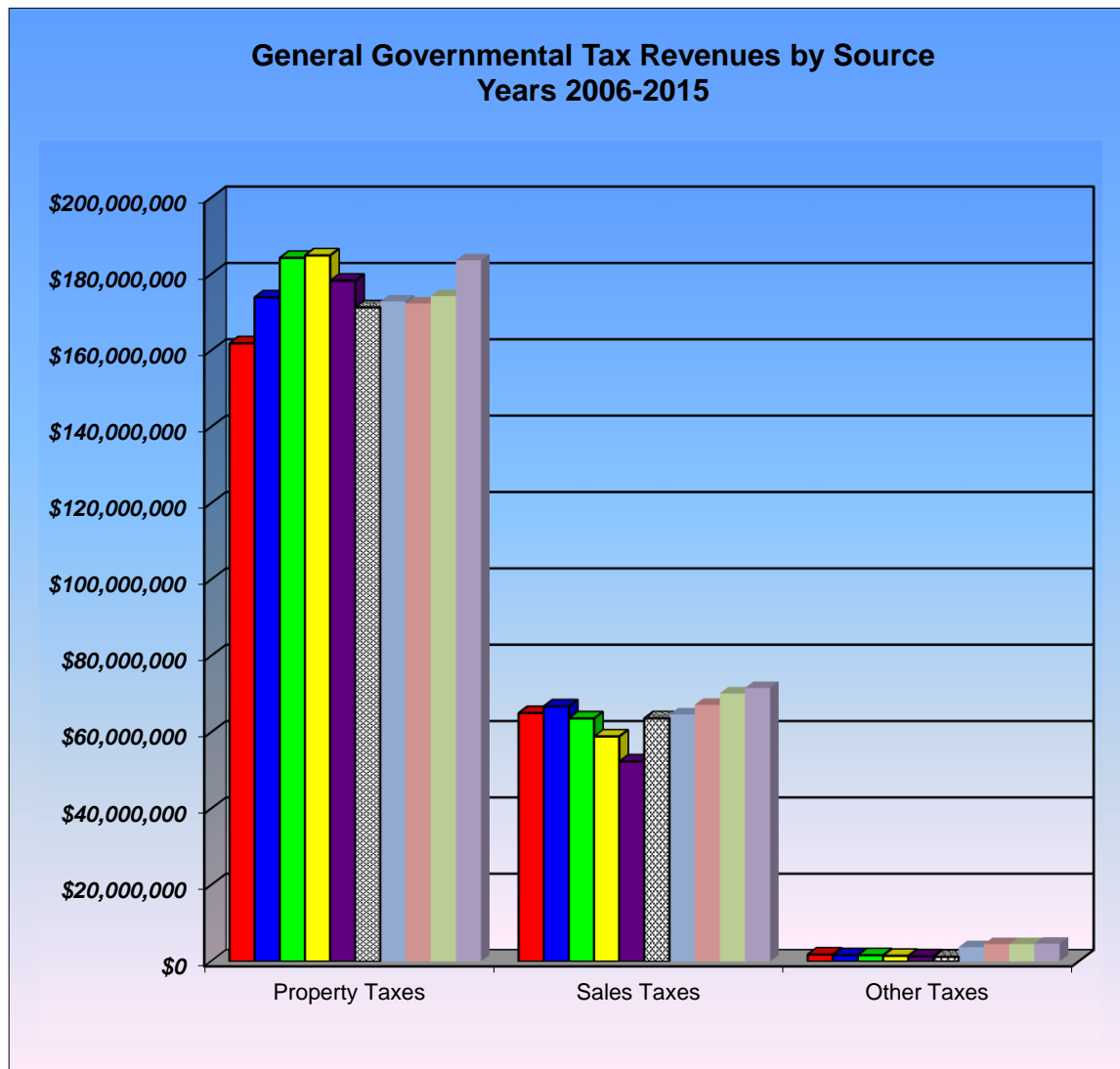
Fiscal Year	General Government	Public Works	Public Safety	Health and Human Services	Planning and Economic Development	Culture and Recreation	Interest on Long-Term Debt	Total
2015	\$ 113,432,544	\$ 58,303,256	\$ 127,595,752	\$ 77,734,970	\$ 3,342,605	\$ 24,005,758	\$ 215,013	\$ 404,629,898
2014	116,879,634	69,375,704	124,049,242	74,954,082	3,286,580	23,393,457	302,620	412,241,319
2013	114,258,178	58,349,105	122,156,637	74,828,392	2,959,390	22,480,903	270,723	395,303,328
2012	121,428,691	56,201,387	115,395,790	79,336,842	4,101,588	21,970,790	372,224	398,807,312
2011	122,559,659	39,221,489	115,821,699	82,352,302	5,259,908	22,416,562	436,366	388,067,985
2010	99,984,101	52,528,774	110,382,044	85,547,641	6,072,658	22,453,775	723,558	377,692,551
2009	93,560,733	48,710,693	114,483,555	79,429,418	8,408,644	23,843,135	778,619	369,214,797
2008	73,360,726	46,845,970	127,137,837	82,910,854	23,110,110	23,033,442	1,092,150	377,491,089
2007	71,261,191	54,349,008	123,123,775	81,034,438	23,527,172	22,555,476	1,407,149	377,258,209
2006	65,528,919	48,494,629	113,339,836	78,104,338	23,774,305	21,322,091	1,515,485	352,079,603

**Government-wide Expenses
by Functions for 2015**



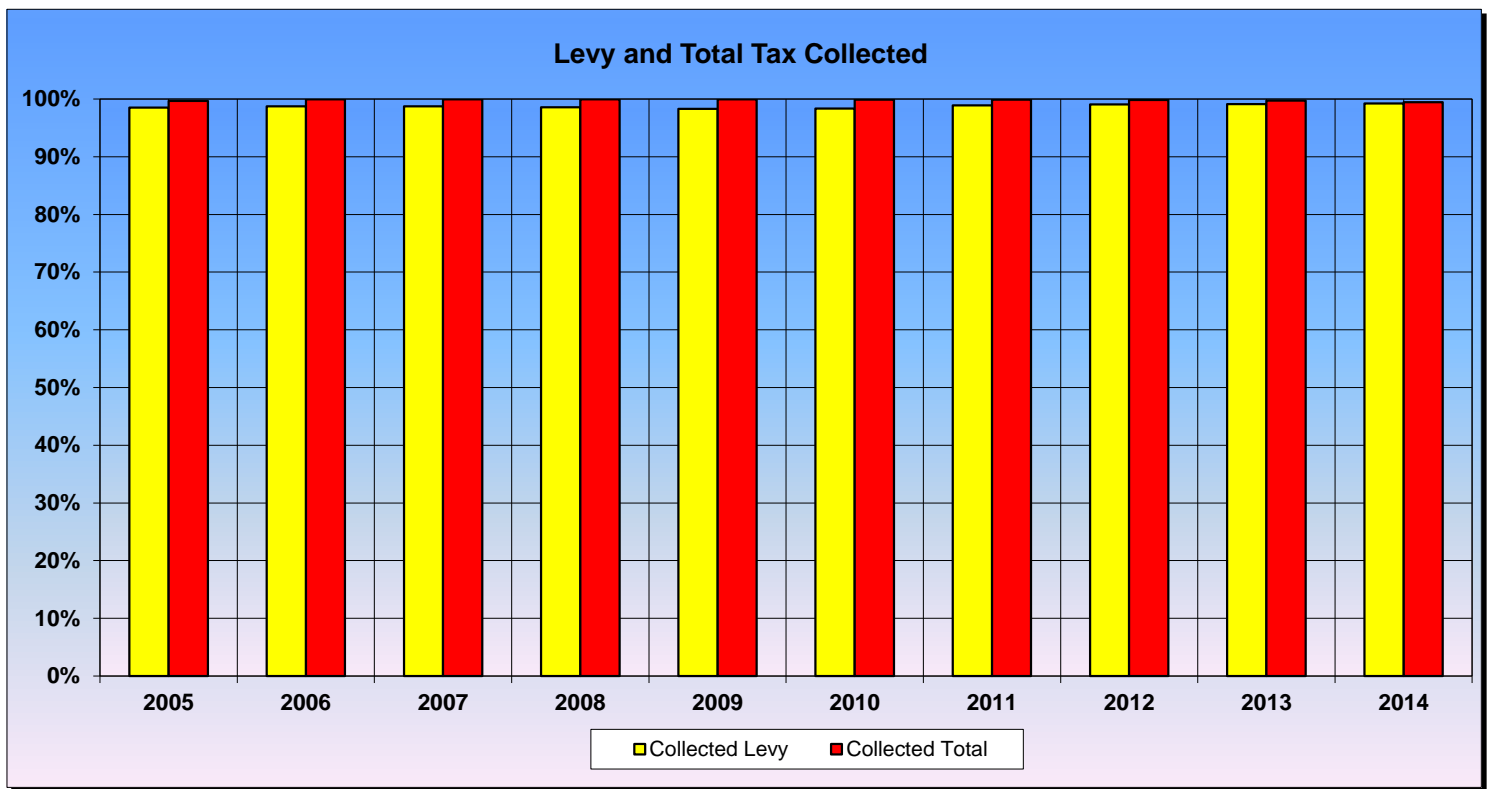
Johnson County, Kansas
General Governmental Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Property Taxes	Sales Taxes	Other Taxes	Total
2015	\$ 183,663,325	\$ 71,633,771	\$ 4,648,964	\$ 259,946,060
2014	174,290,655	70,202,538	4,543,089	249,036,282
2013	172,363,257	67,223,139	4,545,476	244,131,872
2012	172,891,220	64,721,509	3,748,232	241,360,961
2011	171,345,442	63,692,635	1,192,532	236,230,609
2010	178,334,826	52,415,824	1,329,971	232,080,621
2009	184,948,778	58,948,208	1,472,563	245,369,549
2008	184,296,632	63,684,470	1,639,876	249,620,978
2007	173,966,160	66,816,061	1,646,312	242,428,533
2006	161,936,175	65,068,745	1,816,842	228,821,762



Johnson County, Kansas
Property Tax Levies and Collections
Last Ten Fiscal Years

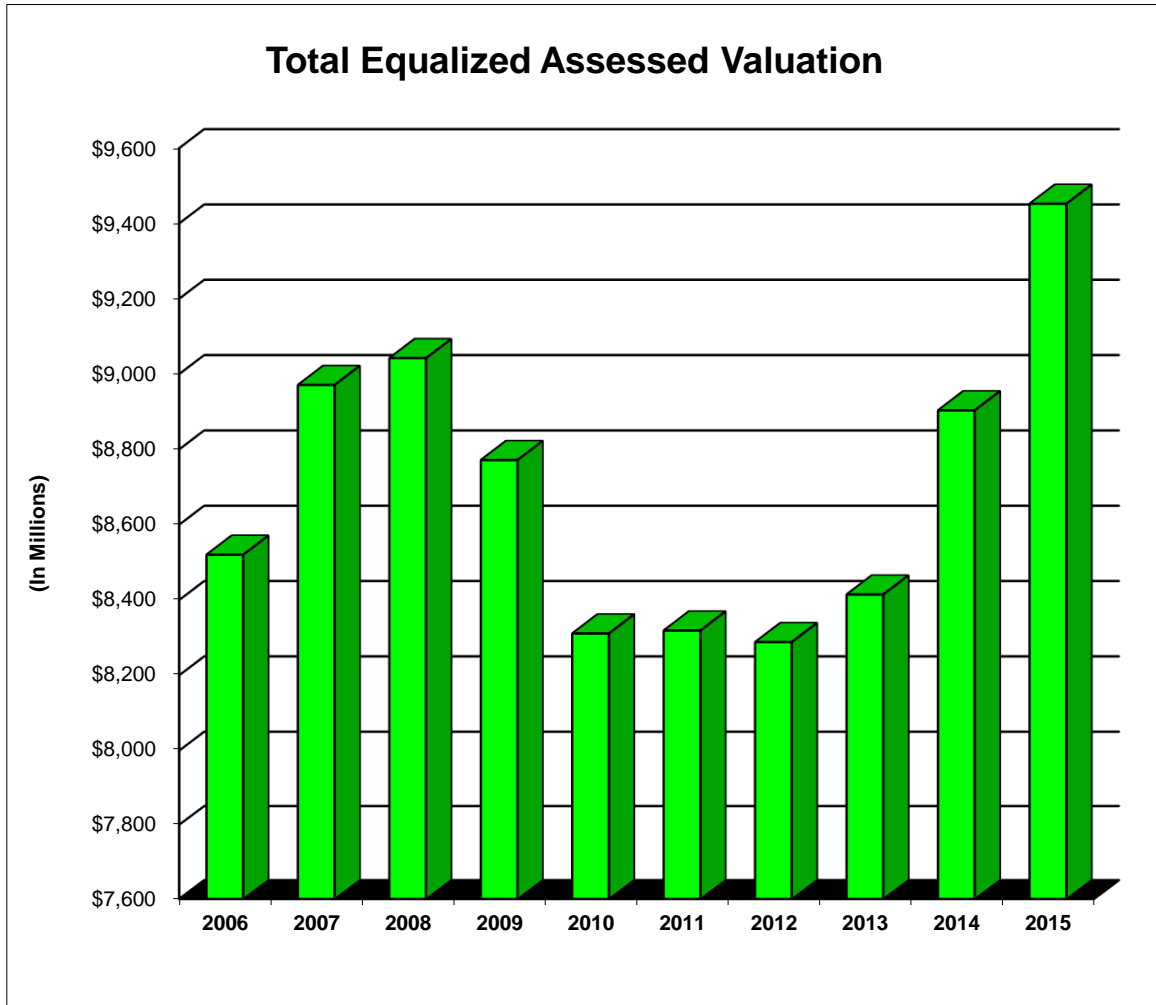
Levy Year (1)	Net Adjusted Tax Roll (2)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collected	Outstanding Delinquent Taxes (3)	Delinquent Taxes to Net Adj. Tax
2014	\$ 162,791,560	\$ 161,523,261	99.22%	\$ 388,033	\$ 161,911,293	99.46%	\$ 2,597,556	1.60%
2013	154,568,476	153,184,349	99.10%	973,300	154,157,649	99.73%	1,717,290	1.11%
2012	152,296,990	150,921,324	99.10%	1,125,590	152,046,914	99.84%	1,306,462	0.86%
2011	152,228,341	150,587,044	98.92%	1,467,289	152,054,333	99.89%	1,056,386	0.69%
2010	153,266,717	150,745,216	98.35%	2,407,942	153,153,158	99.93%	882,379	0.58%
2009	161,017,874	158,295,398	98.31%	2,628,635	160,924,033	99.94%	768,819	0.48%
2008	165,853,032	163,529,885	98.60%	2,242,375	165,772,260	99.95%	674,979	0.41%
2007	165,673,154	163,624,647	98.76%	2,000,149	165,624,796	99.97%	594,206	0.36%
2006	156,514,889	154,517,817	98.72%	1,950,032	156,467,849	99.97%	545,849	0.35%
2005	146,164,382	144,019,261	98.53%	1,646,312	145,665,573	99.66%	498,809	0.34%



- (1) Taxes levied in 2015 are due December 21, 2015 but may be paid 50% by December 21, 2015 and 50% by May 10, 2016.
- (2) Net Adjusted Tax Roll is the County Clerk's Abstract of Taxes plus new taxes less abated taxes.
- (3) K.S.A. 79-2401 et. seq. provides for the sale of property on which delinquent taxes are owed after three years of certified delinquency (approximately four years).

Johnson County, Kansas
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years

Fiscal Year	Real Property Assessed Value(1)	Personal Property Assessed Value(1)	Utilities Assessed Value(1)	Total Assessed Value
2015	\$ 8,252,498,338	\$ 114,802,168	\$ 229,292,984	\$ 8,596,593,490
2014	7,728,159,721	135,950,467	220,180,418	8,084,290,606
2013	7,250,086,767	164,131,506	216,759,897	7,630,978,170
2012	7,122,134,472	186,979,120	211,389,795	7,520,503,387
2011	7,126,890,386	213,473,539	211,621,640	7,551,985,565
2010	7,076,189,727	239,657,283	219,870,931	7,535,717,941
2009	7,434,948,723	311,426,499	223,153,015	7,969,528,237
2008	7,613,700,757	385,599,146	232,006,803	8,231,306,706
2007	7,441,729,299	496,710,813	230,509,813	8,168,949,925
2006	6,952,936,327	546,237,913	233,922,217	7,733,096,457

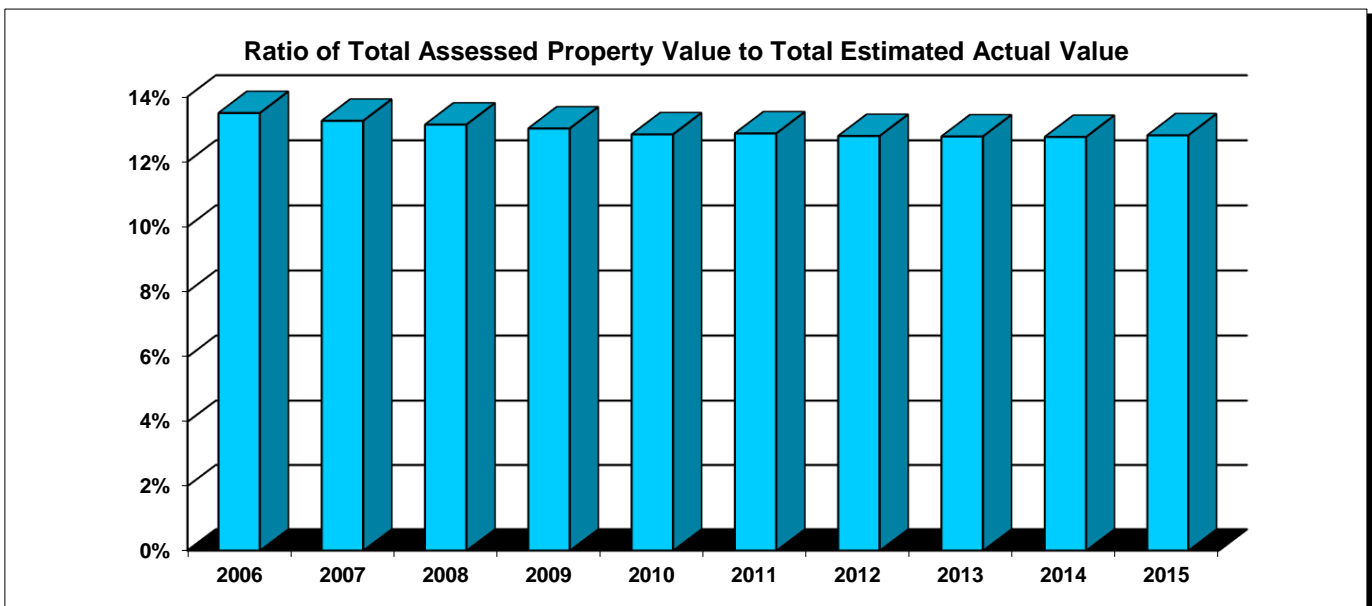


(1) Source: 2015 Annual Abstract of Taxes, County Clerk

Johnson County, Kansas
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years

Motor Vehicle Assessed Value(1)	Recreational Vehicle Assessed Value(1)	Total Equalized Assessed Valuation	Total Direct Tax Rate(2)	Year
\$ 852,835,812	\$ 3,058,590	\$ 9,452,487,892	23.494	2015
816,754,012	2,923,997	8,903,968,615	20.921	2014
781,331,046	2,521,731	8,414,830,947	20.900	2013
764,636,016	3,374,534	8,288,513,937	20.866	2012
763,748,689	3,504,557	8,319,238,811	20.845	2011
772,108,497	3,591,197	8,311,417,635	20.906	2010
798,765,258	3,590,529	8,771,884,024	20.867	2009
807,538,885	3,602,032	9,042,447,623	20.824	2008
798,621,975	3,700,267	8,971,272,167	20.947	2007
783,704,614	3,706,787	8,520,507,858	20.909	2006

Real Property Estimated Actual Value(3)	Personal Property Estimated Actual Value(3)	Utilities Estimated Actual Value(4)	Total Estimated Actual Value	Ratio of Total Assessed Value to Total Estimated Actual Value	Year
\$ 65,709,994,902	\$ 548,432,543	\$ 832,967,679	\$ 67,091,395,124	12.81%	2015
61,912,043,960	638,703,743	787,753,918	63,338,501,621	12.76%	2014
58,332,098,612	645,583,924	737,065,168	59,714,747,704	12.78%	2013
57,324,971,665	735,451,205	723,684,270	58,784,107,140	12.79%	2012
57,109,177,160	839,662,587	718,991,074	58,667,830,821	12.87%	2011
56,908,094,900	1,034,822,458	737,478,271	58,680,395,629	12.84%	2010
59,225,822,459	1,224,944,229	735,234,622	61,186,001,310	13.03%	2009
60,348,778,630	1,516,689,974	758,755,318	62,624,223,922	13.14%	2008
58,907,586,441	1,953,729,198	750,572,302	61,611,887,941	13.26%	2007
54,383,895,167	2,148,535,791	754,421,000	57,286,851,958	13.50%	2006



(1) Source: 2015 Annual Abstract of Taxes, County Clerk

(2) Total Direct Tax Rate is a combination of County and County Library levy rate.

(3) Source: County Appraiser

(4) Source: County Records and Tax Administration Office

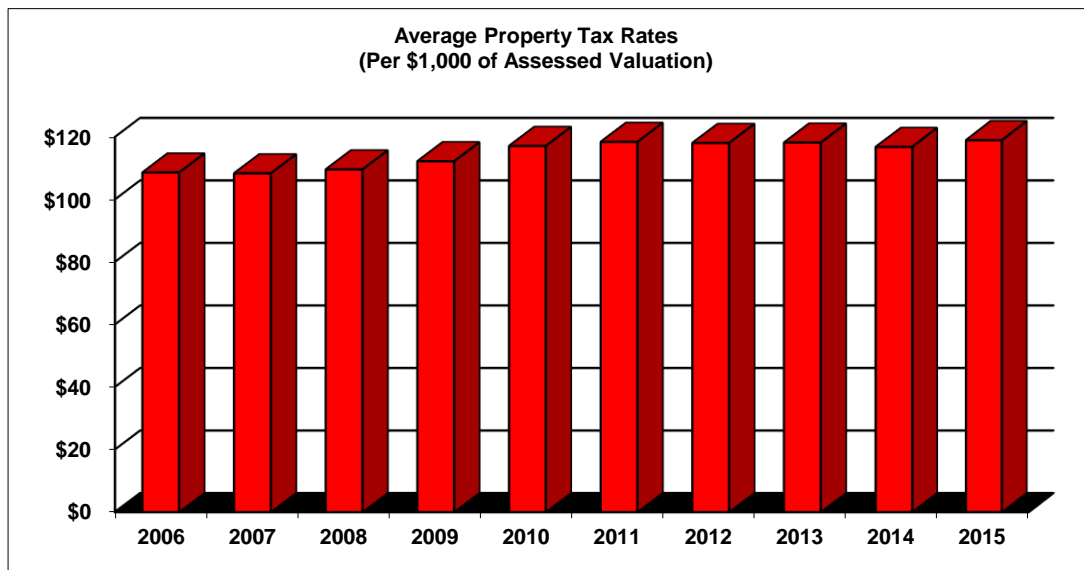
Johnson County, Kansas
Direct and Overlapping Property Tax Rates and Levies
Last Ten Fiscal Years

TAX RATES* Per \$1,000 of Assessed Valuation

Year	County	County Library	Total Direct Rate	State
2015	19.582	3.912	23.494	1.500
2014	17.764	3.157	20.921	1.500
2013	17.745	3.155	20.900	1.500
2012	17.717	3.149	20.866	1.500
2011	17.700	3.145	20.845	1.500
2010	17.748	3.158	20.906	1.500
2009	17.716	3.151	20.867	1.500
2008	17.767	3.057	20.824	1.500
2007	17.985	2.962	20.947	1.500
2006	17.949	2.960	20.909	1.500

TAX LEVIES*

Year	County	County Library	State
2015	\$ 168,338,487	\$ 27,898,118	\$ 12,895,065
2014	143,586,679	21,227,920	12,124,706
2013	135,411,662	20,029,259	11,446,647
2012	133,240,925	19,745,810	11,280,755
2011	133,670,303	19,764,012	11,327,978
2010	133,744,112	19,811,187	11,303,577
2009	141,189,740	20,894,100	11,954,292
2008	146,245,832	20,959,107	12,346,960
2007	146,918,769	20,188,656	12,253,425
2006	138,801,516	19,223,756	11,599,645



* Excludes special assessments.

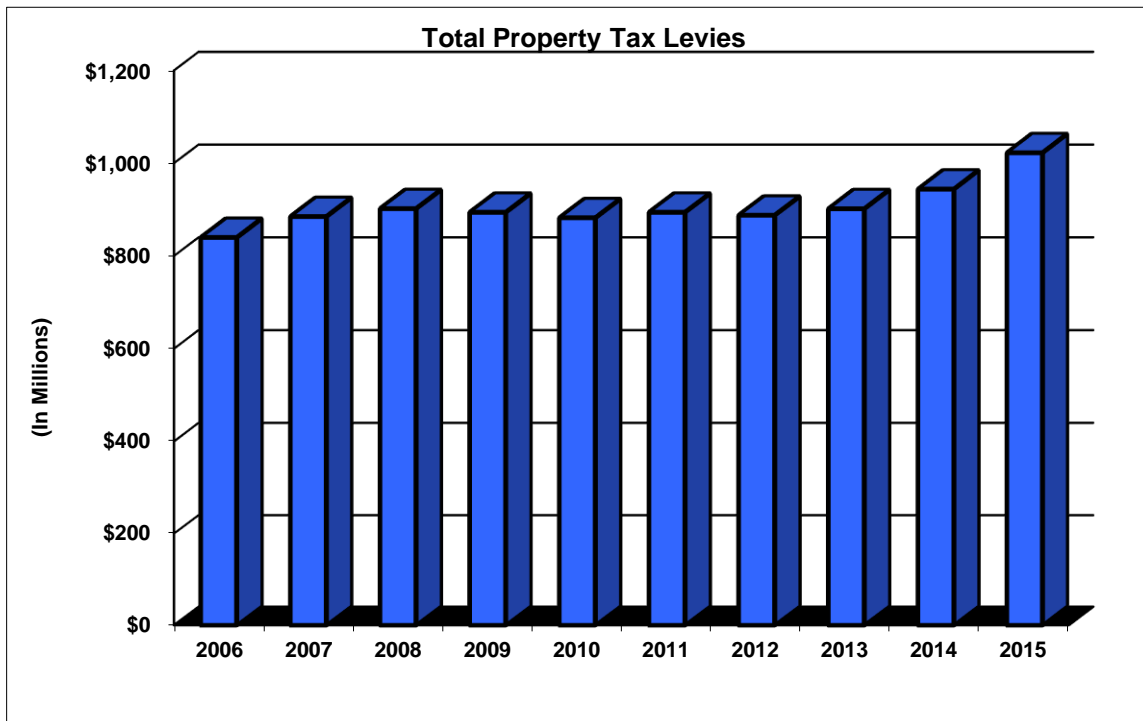
(1) Special Districts include Cemeteries, Drainage and Fire.

(2) Grand Total (Weighted Average) is calculated by dividing grand total levy dollars by total assessed value for real, personal and utility property and multiplying the result by 1000 to convert to whole dollars.

Johnson County, Kansas
Direct and Overlapping Property Tax Rates and Levies
Last Ten Fiscal Years

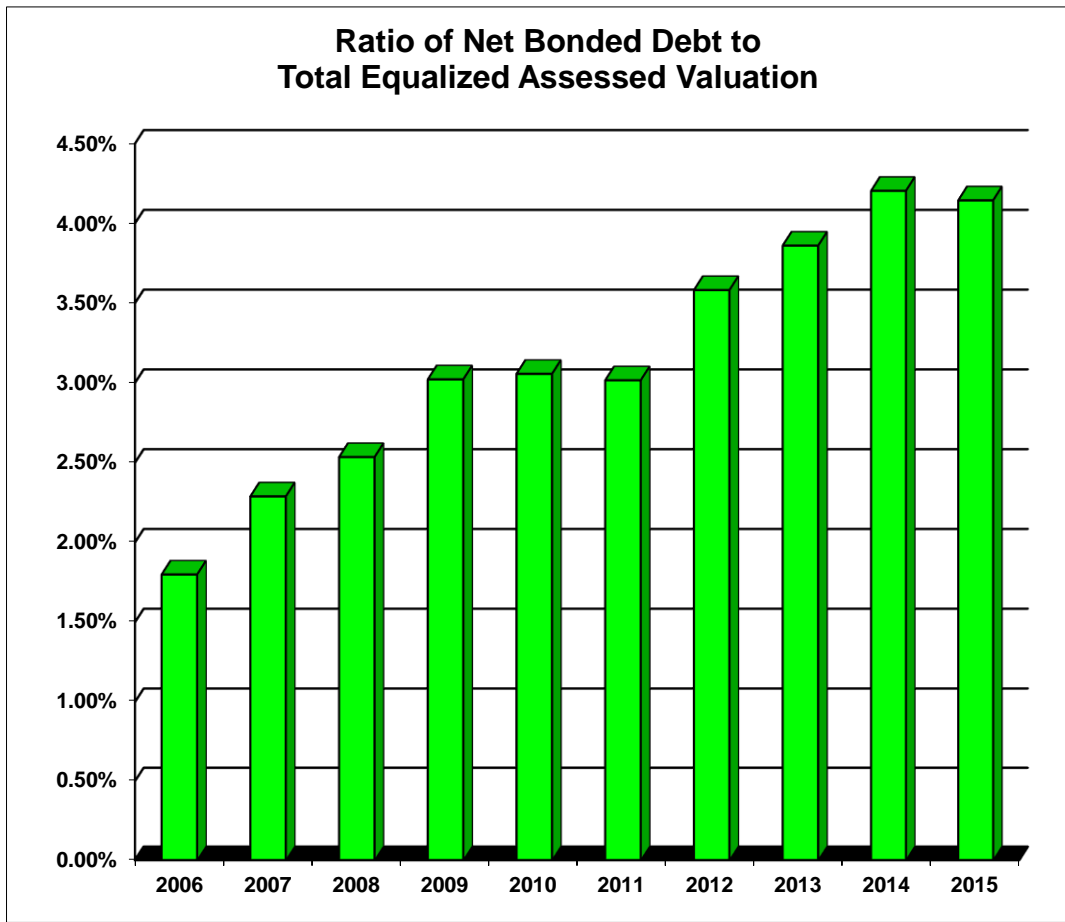
Cities Weighted Average	Townships Weighted Average	Schools Weighted Average	Special Districts Weighted Average (1)	Grand Total Weighted Average (2)	Year
21.025	0.203	71.566	3.453	118.936	2015
20.870	0.227	72.084	3.376	116.783	2014
20.746	0.232	73.645	3.405	118.179	2013
20.623	0.198	73.736	3.308	118.044	2012
20.660	0.147	74.132	3.314	118.400	2011
18.898	0.149	74.716	2.998	117.085	2010
18.645	0.152	70.363	2.765	112.190	2009
18.580	0.152	67.899	2.748	109.579	2008
18.435	0.093	66.605	2.868	108.328	2007
18.329	0.103	66.960	2.983	108.600	2006

Cities Total	Townships Total	Schools Total	Special Districts Total (1)	Grand Total	Year
\$ 175,480,405	\$ 81,182	\$ 615,222,401	\$ 22,531,107	\$ 1,022,446,764	2015
163,697,414	86,793	582,747,589	20,638,217	944,109,318	2014
153,475,609	81,958	561,982,632	19,394,867	901,822,634	2013
150,460,843	68,005	554,525,615	18,424,598	887,746,551	2012
151,233,494	50,332	559,842,295	18,263,958	894,152,372	2011
137,949,627	51,732	563,036,197	16,422,068	882,318,500	2010
143,708,795	55,054	560,760,410	15,537,928	894,100,319	2009
147,788,587	57,648	558,896,054	15,688,068	901,982,256	2008
145,315,726	36,302	544,089,809	16,125,343	884,928,030	2007
136,757,256	38,114	517,806,857	15,584,677	839,811,821	2006



Johnson County, Kansas
Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

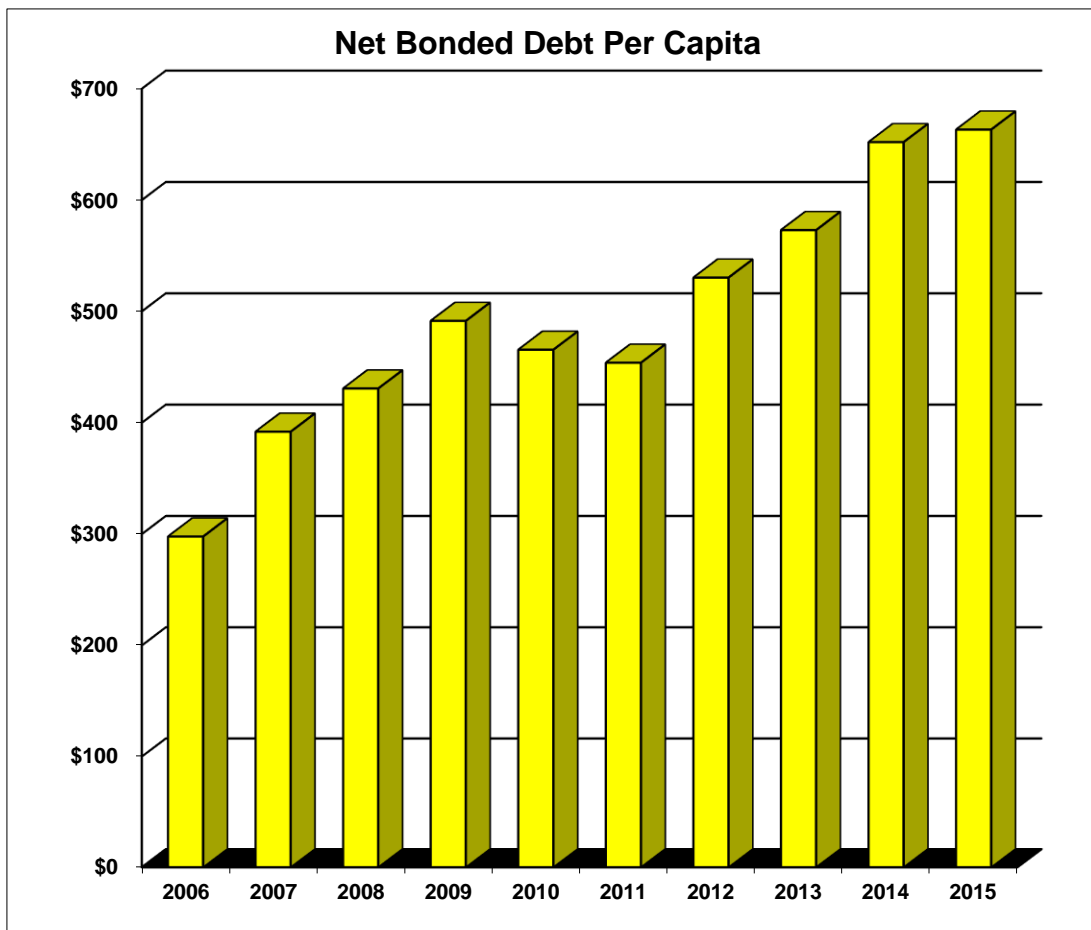
Year	Population (1)	Equalized Assessed Valuation	Bonded Debt	Amount Set Aside for Repayment of G.O. Debt
2015	590,604	\$ 9,452,487,892	\$ 392,931,781	\$ 1,157,440
2014	574,096	8,903,968,615	376,177,640	1,820,629
2013	566,933	8,414,830,947	326,413,456	1,523,187
2012	559,836	8,288,513,937	298,517,717	1,589,392
2011	552,874	8,319,238,811	252,184,547	1,200,751
2010	545,696	8,311,417,635	255,538,880	1,452,174
2009	539,396	8,771,884,024	267,957,829	2,826,554
2008	532,175	9,042,447,623	229,550,443	283,994
2007	523,879	8,971,272,167	210,186,132	4,822,736
2006	514,813	8,520,507,858	158,334,179	5,013,455



(1) See Demographic Statistics, later in this section.

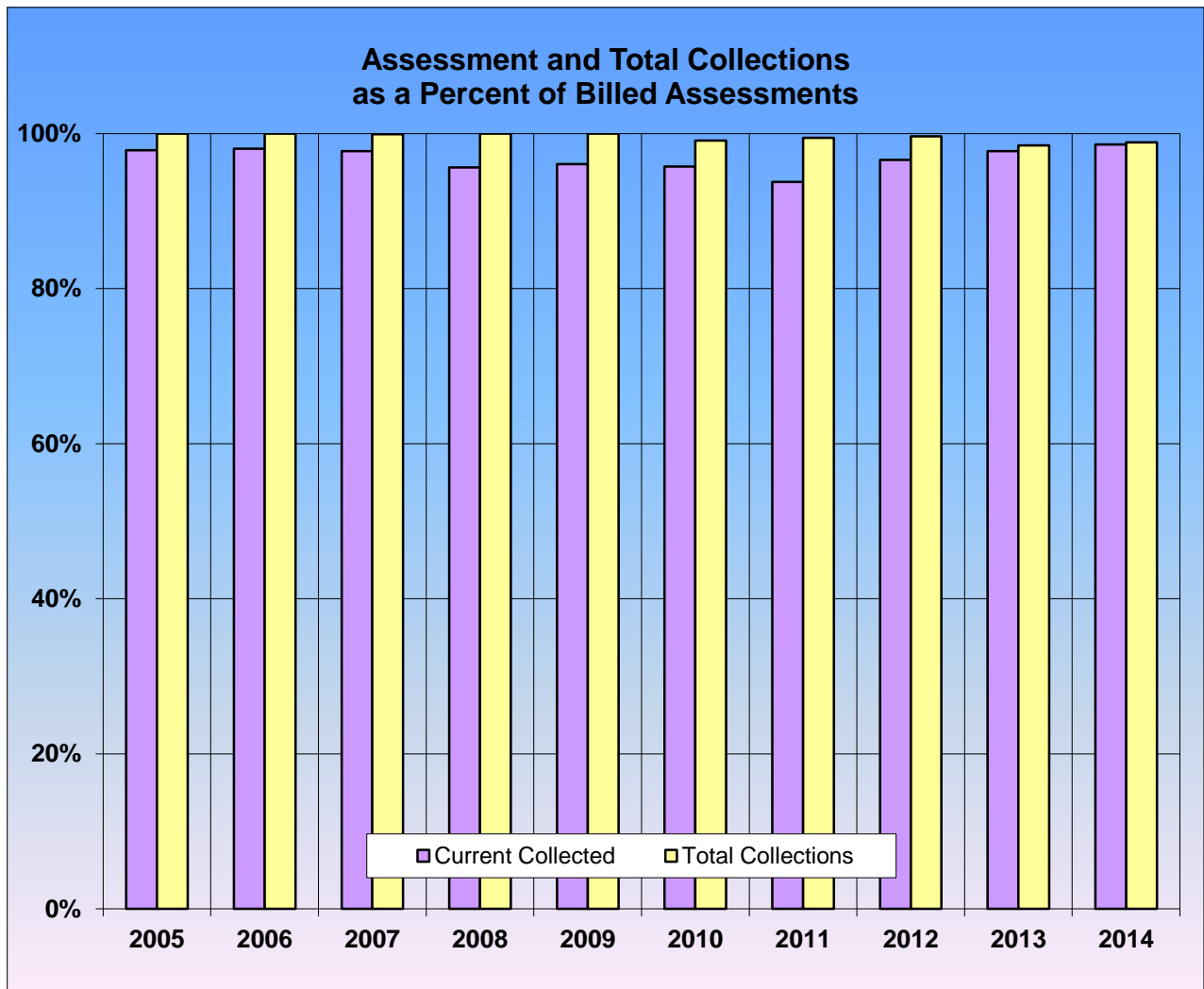
Johnson County, Kansas
**Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years**

Net Bonded Debt	Ratio of Net Bonded Debt to Equalized Valuation	Ratio of Net Bonded Debt Per Capita to Per Capita Income	Per Capita Income (1)	Net Bonded Debt Per Capita	Year
\$ 391,774,341	4.14%	1.04%	\$ 63,790	\$ 663.35	2015
374,357,011	4.20%	1.06%	61,644	652.08	2014
324,890,269	3.86%	0.95%	60,068	573.07	2013
296,928,325	3.58%	0.89%	59,347	530.38	2012
250,983,796	3.02%	0.80%	56,619	453.96	2011
254,086,706	3.06%	0.88%	53,153	465.62	2010
265,131,275	3.02%	0.93%	52,988	491.53	2009
229,266,449	2.54%	0.75%	57,070	430.81	2008
205,363,396	2.29%	0.73%	53,909	392.01	2007
153,320,724	1.80%	0.58%	51,616	297.82	2006



Johnson County, Kansas
Special Assessment Billings and Collections
Last Ten Fiscal Years

Levy Year (1)	Special Assessment Billings (2)	Special Assessment Collections (2)	Percent of Billings Collected	Delinquent Assessments Collected	Total Assessments Collected	Percent of Total Collections to Billings
2014	\$ 389,120	\$ 383,647	98.59%	\$ 1,028	\$ 384,675	98.86%
2013	411,448	402,173	97.75%	3,067	405,240	98.49%
2012	415,144	401,079	96.61%	12,619	413,698	99.65%
2011	418,043	391,923	93.75%	23,883	415,806	99.46%
2010	431,879	413,554	95.76%	14,475	428,029	99.11%
2009	447,486	429,890	96.07%	17,596	447,486	100.00%
2008	501,519	479,675	95.64%	21,844	501,519	100.00%
2007	576,702	563,709	97.75%	12,459	576,168	99.91%
2006	661,270	648,315	98.04%	12,955	661,270	100.00%
2005	644,449	630,501	97.84%	13,948	644,449	100.00%



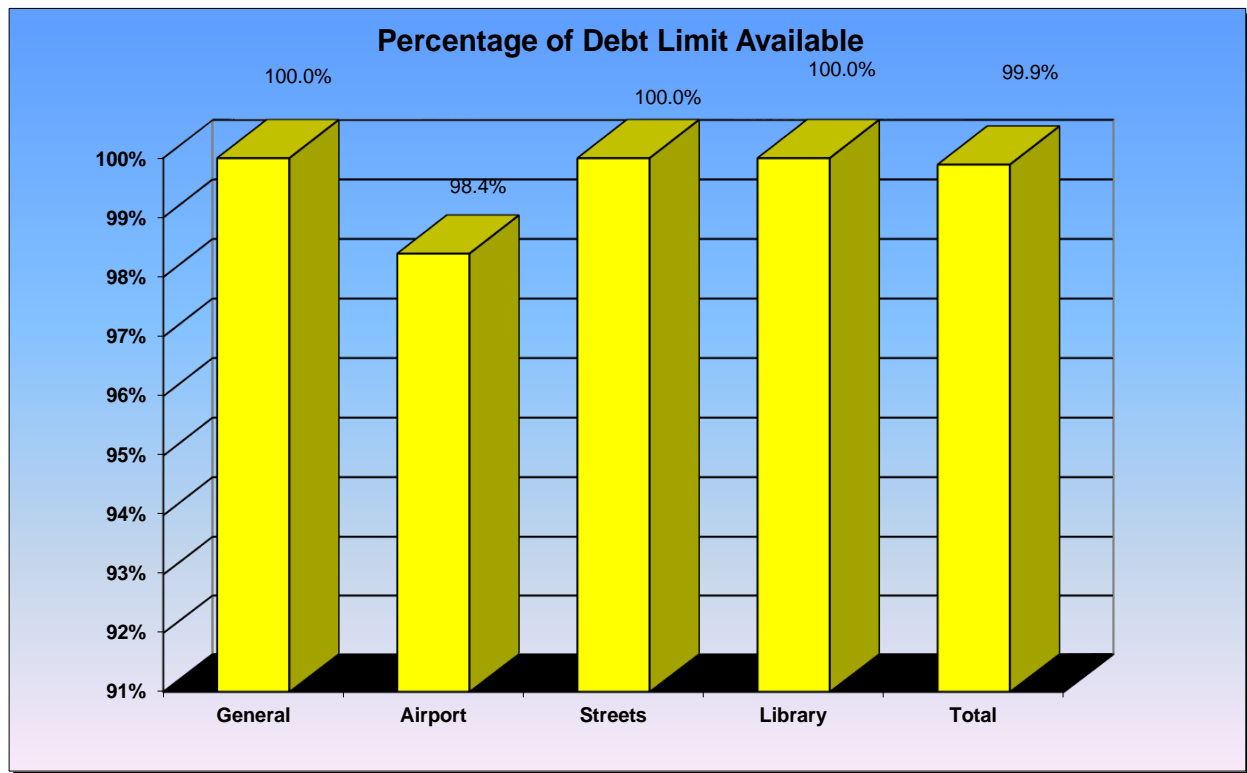
(1) Taxes levied in 2015 are due December 21, 2015 but may be paid 50% by December 21, 2015 and 50% by May 10, 2016.

(2) Billings and collections include Johnson County and all municipalities within Johnson County.

Source County Treasurer.

Johnson County, Kansas
Legal General Obligation Debt Margin Computation
12/31/15

	<u>General</u>	<u>Airport</u>	<u>Streets</u>	<u>Library (3)</u>	<u>Total</u>
Assessed Valuation for Debt Limitation Purposes	\$ 9,452,487,892	\$ 9,452,487,892	\$ 9,452,487,892	\$ 7,813,955,589	\$ 36,171,419,265
Percentage Limitation (1)	3.0%	1.0%	2.0%	2.0%	
Dollar Debt Limit	283,574,637	94,524,879	189,049,758	156,279,112	723,428,386
Outstanding Debt (2)	40,000	1,515,625	-	385,000	1,940,625
Amount Set Aside for Repayment of G.O. Debt	390,338	-	-	767,102	1,157,440
Net Outstanding Debt	(350,338)	1,515,625	-	(382,102)	783,185
Available Legal Debt Margin	<u>\$ 283,924,975</u>	<u>\$ 93,009,254</u>	<u>\$ 189,049,758</u>	<u>\$ 156,661,214</u>	<u>\$ 722,645,201</u>



- (1) Source: 2015 Annual Abstract of Taxes, Johnson County Clerk, Kansas Statutes. General K.S.A. 10-306, Airport K.S.A. 3-307, Streets K.S.A. 68-584, Library K.S.A. 12-1257, Park and Recreation K.S.A. 19-2874.
- (2) Includes all general obligation bonds and notes except voting machine bonds, which are not subject to debt limitation. Also excludes Wastewater General Obligation debt (which is supported by user charges). Does not include debt obligation exempt from statutory limitations. General K.S.A. 25-134, 10-307, 10-427A, 10-311, Airport K.S.A. 3-304, Street K.S.A. 68-728.
- (3) Library total equalized tangible valuation excludes real and personal property located within the city limits of the City of Olathe, Kansas, and the City of Bonner Springs, Kansas.

Johnson County, Kansas
Direct and Overlapping Debt Computation
12/31/15

Entity	Total Debt (1)	Net Debt	Percent Applicable to Johnson County	Net Debt Applicable to Johnson County (2)	Total Assessed Valuation
Johnson County	\$ 4,502,791	\$ 3,300,896	100.00%	\$ 3,300,896	\$ 8,596,593,490
Cities					
Bonner Springs	15,280,000	15,036,153	3.94%	592,424	4,674,793
DeSoto	20,505,000	19,948,478	100.00%	19,948,478	62,925,103
Edgerton	15,095,517	14,825,203	100.00%	14,825,203	43,905,588
Fairway	9,330,000	9,182,321	100.00%	9,182,321	80,632,725
Gardner	54,255,244	54,199,510	100.00%	54,199,510	146,932,042
Lake Quivira	1,521,675	1,426,746	94.89%	1,353,839	26,087,500
Leawood	81,065,000	73,378,117	100.00%	73,378,117	827,209,768
Lenexa	163,505,000	156,180,378	100.00%	156,180,378	975,335,146
Merriam	5,165,000	5,165,000	100.00%	5,165,000	171,727,663
Mission	32,770,000	29,858,056	100.00%	29,858,056	121,589,183
Mission Hills	5,476,883	5,469,893	100.00%	5,469,893	172,584,892
Mission Woods	-	-	100.00%	-	8,583,208
Olathe	210,450,000	193,248,347	100.00%	193,248,347	1,460,495,812
Overland Park	136,860,000	136,610,000	100.00%	136,610,000	3,036,392,844
Prairie Village	4,625,000	4,543,370	100.00%	4,543,370	306,227,118
Roeland Park	6,793,006	6,600,812	100.00%	6,600,812	63,329,216
Shawnee	52,545,000	51,636,800	100.00%	51,636,800	767,631,712
Spring Hill	26,719,945	26,607,955	100.00%	26,607,955	42,980,567
Westwood	425,000	425,000	100.00%	425,000	21,029,724
Westwood Hills	-	-	100.00%	-	6,896,386
Total	842,387,270	804,342,140		789,825,503	8,347,170,990
School Districts					
Blue Valley U.S.D. 229	294,665,000	283,076,129	99.97%	282,991,206	2,641,914,220
Spring Hill U.S.D. 230	80,145,000	74,998,260	77.57%	58,176,150	125,125,489
Gardner U.S.D. 231	131,875,000	122,689,954	97.45%	119,561,360	259,879,349
DeSoto U.S.D. 232	152,835,000	139,666,872	100.00%	139,666,872	437,689,977
Olathe U.S.D. 233	430,004,425	406,426,557	100.00%	406,426,557	1,937,957,877
Wellsville U.S.D. 289	4,050,000	3,355,778	0.10%	3,356	21,850
Eudora U.S.D. 491	58,853,850	55,993,614	2.75%	1,539,824	1,127,861
Shawnee Mission U.S.D. 512	255,105,000	250,703,019	100.00%	250,703,019	3,192,876,867
Total	1,407,533,275	1,336,910,184		1,259,068,344	8,596,593,490
Other Entities					
Community College	8,019,219	8,019,219	100.00%	8,019,219	8,596,593,490
Park and Recreation	32,510,224	32,459,228	100.00%	32,459,228	8,596,593,490
Cons Fire District #2	365,000	365,000	100.00%	365,000	780,872,452
Fire District #1	3,915,000	3,915,000	100.00%	3,915,000	112,357,886
Fire District #2	1,595,000	1,595,000	100.00%	1,595,000	169,849,589
Northwest Cons Fire District	-	-	100.00%	-	98,308,216
Total	46,404,443	46,353,447		46,353,447	18,354,575,123
Total of Overlapping Debt				2,095,247,294	
Grand Total				\$ 2,098,548,190	

(1) Includes General and Special Obligation Bonds, Capital Leases, Special Assessment Bonds with governmental commitment and General Obligation Notes.

Excludes Airport and Wastewater General Obligation and Special Assessment debt (which are supported by user charges).

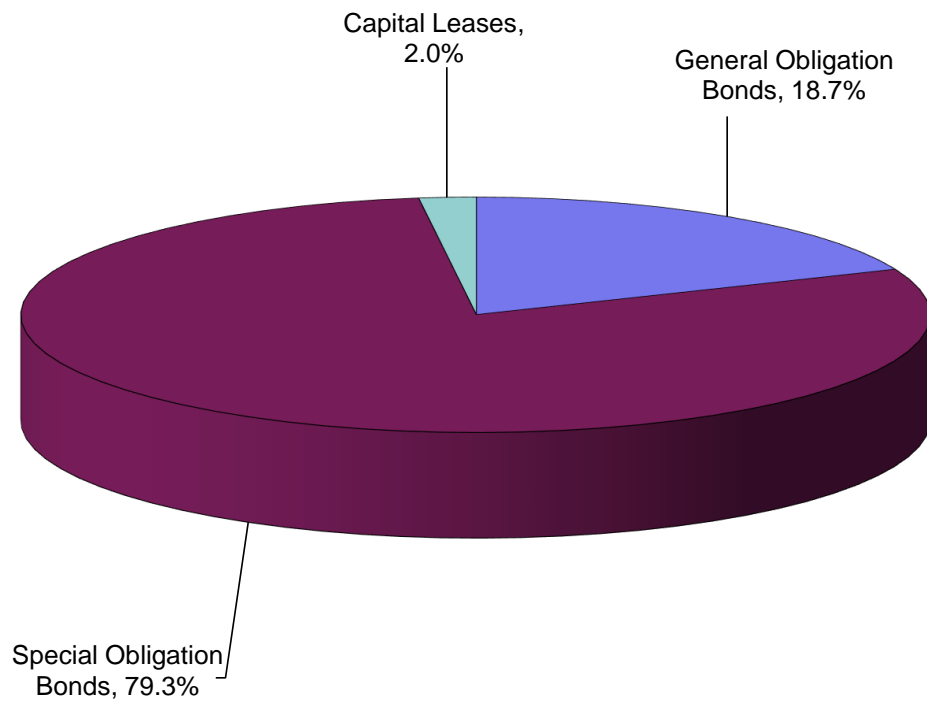
(2) Based upon assessed valuation within Johnson County as a percent of total assessed valuation.

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Johnson County, Kansas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	Governmental Activities				Business-Type Activities	
	General Obligation Bonds	Special Obligation Bonds	Special Assessment Bonds	Capital Leases	General Obligation Bonds	Special Assessment Bonds
2015	\$ 841,563	\$ 3,570,000	\$ -	\$ 91,228	\$ 388,520,218	\$ 19,375
2014	1,656,811	4,400,000	-	3,006,747	370,120,829	24,220
2013	1,734,128	5,335,000	-	3,150,000	319,344,328	29,065
2012	1,908,678	6,650,000	-	3,400,000	289,959,039	33,910
2011	2,784,129	8,280,000	-	5,499	241,120,418	38,755
2010	4,684,385	9,950,000	-	13,360	240,904,495	48,600
2009	8,644,298	10,835,000	10,600	20,790	248,478,531	139,887
2008	8,546,260	12,405,000	18,473	27,813	208,599,184	602,867
2007	10,773,156	18,160,000	26,346	49,377	181,206,249	689,993
2006	12,967,014	19,685,000	36,013	25,062	125,682,165	767,269

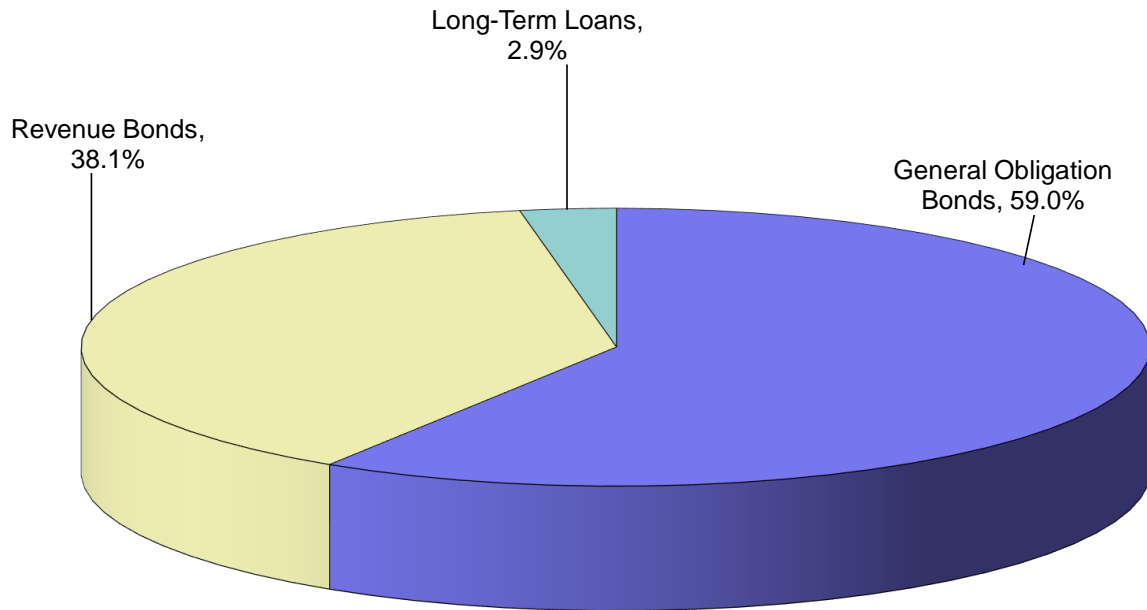
2015 Governmental Activities Outstanding Debt



Johnson County, Kansas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Business-Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita	Year
Revenue Bonds	Loan Payable	Capital Leases	Long-Term Loans					
			Wastewater	Airport				
\$ 251,102,869	\$ -	\$ -	\$ 19,080,228	\$ -	\$ 663,225,481	4.11%	\$ 1,122.96	2015
213,007,237	-	-	21,092,418	-	613,308,262	4.05%	1,068.30	2014
218,911,153	-	-	25,237,873	-	573,741,547	3.99%	1,012.01	2013
231,109,024	-	-	29,548,321	16,686	562,625,658	4.10%	1,004.98	2012
237,260,385	-	-	35,257,830	39,211	524,786,227	3.62%	949.20	2011
210,203,140	-	-	39,362,247	61,080	505,227,307	3.52%	925.84	2010
160,220,393	-	-	34,402,712	106,885	462,859,096	3.59%	858.11	2009
152,403,748	-	-	39,127,268	152,411	421,883,024	3.53%	792.75	2008
94,231,311	-	-	43,809,355	195,243	349,141,030	3.09%	666.45	2007
88,914,364	-	-	48,370,355	237,471	296,684,713	2.71%	576.30	2006

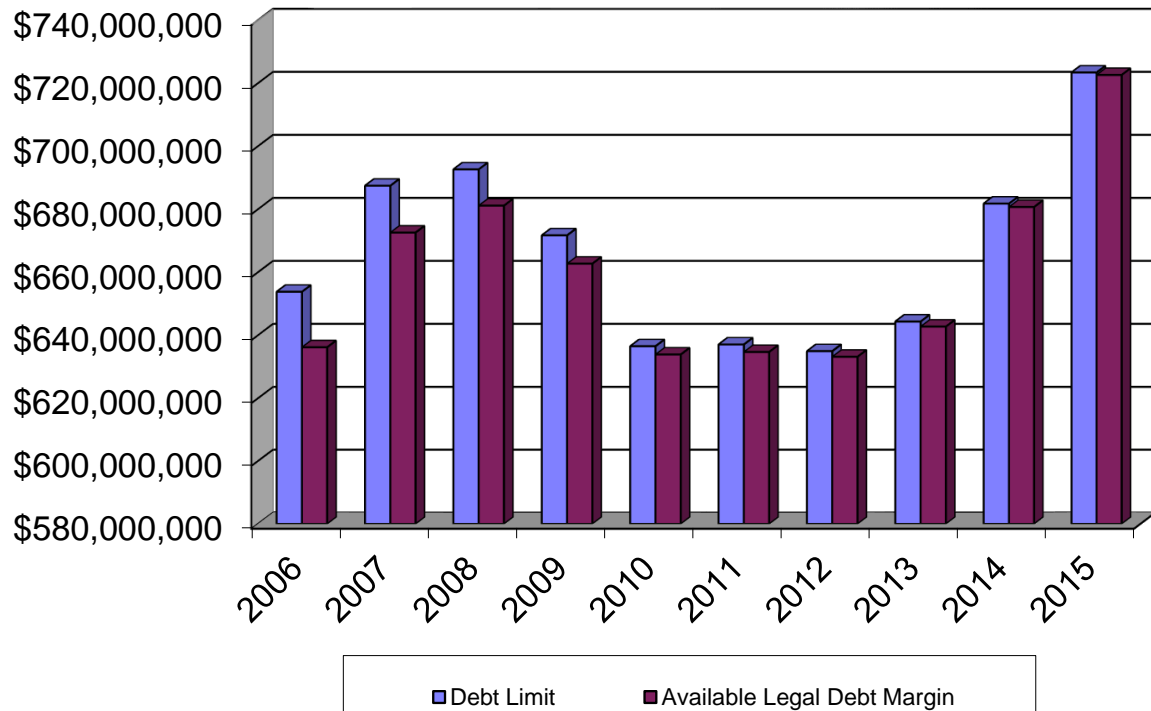
2015 Business-Type Activities Outstanding Debt



**Johnson County, Kansas
Legal Debt Margin Information
Last Ten Fiscal Years**

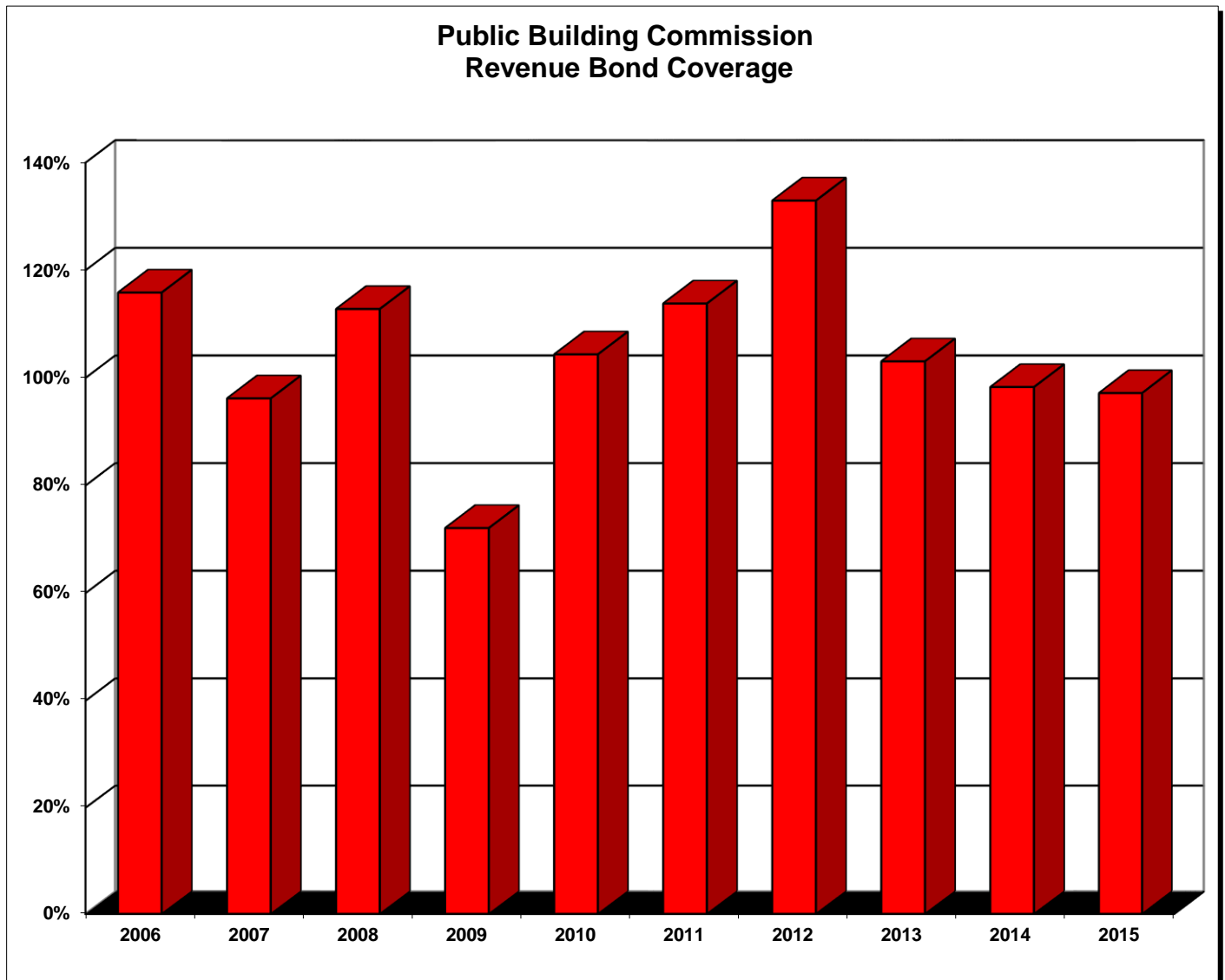
Year	Debt Limit	Outstanding Debt	Amount Set Aside for Repayment of G.O. Debt	Net Outstanding Debt	Available Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2015	\$ 723,428,386	\$ 1,940,625	\$ 1,157,440	\$ 783,185	\$ 722,645,201	0.11%
2014	681,812,150	2,910,240	1,820,629	1,089,611	680,722,539	0.16%
2013	644,387,281	3,135,935	1,523,187	1,612,748	642,774,533	0.25%
2012	634,977,376	3,361,090	1,589,392	1,771,698	633,205,678	0.28%
2011	637,094,103	3,576,245	1,200,751	2,375,494	634,718,609	0.37%
2010	636,537,544	4,076,400	1,452,174	2,624,226	633,913,318	0.41%
2009	671,743,705	11,822,780	2,826,554	8,996,226	662,747,479	1.34%
2008	692,667,573	11,798,237	283,994	11,514,243	681,153,330	1.66%
2007	687,485,111	19,690,518	4,822,736	14,867,782	672,617,329	2.16%
2006	653,816,162	22,606,006	5,013,455	17,592,551	636,223,611	2.69%

Debt Limit vs. Available Debt Margin



Johnson County, Kansas
Public Building Commission Revenue Bond Coverage
Last Ten Fiscal Years

Year	Gross Revenue (1)	Less: Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 19,603,837	\$ -	\$ 19,603,837	\$ 11,805,000	\$ 8,360,418	\$ 20,165,418	97%
2014	20,208,749	-	20,208,749	11,955,000	8,595,370	20,550,370	98%
2013	21,505,958	-	21,505,958	11,890,000	8,967,129	20,857,129	103%
2012	28,239,865	-	28,239,865	11,445,000	9,790,327	21,235,327	133%
2011	21,005,623	-	21,005,623	9,455,000	8,993,865	18,448,865	114%
2010	16,437,670	-	16,437,670	8,725,000	7,018,786	15,743,786	104%
2009	10,627,731	-	10,627,731	7,430,000	7,303,112	14,733,112	72%
2008	11,422,827	-	11,422,827	6,200,000	3,923,101	10,123,101	113%
2007	10,209,731	-	10,209,731	6,615,000	3,994,571	10,609,571	96%
2006	11,086,909	-	11,086,909	5,940,000	3,626,645	9,566,645	116%

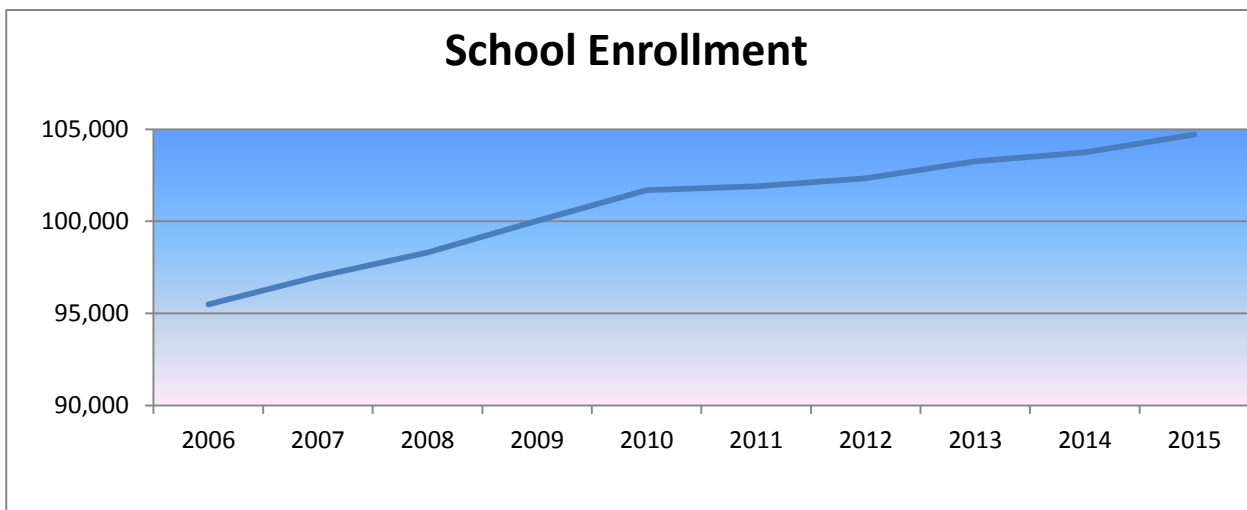
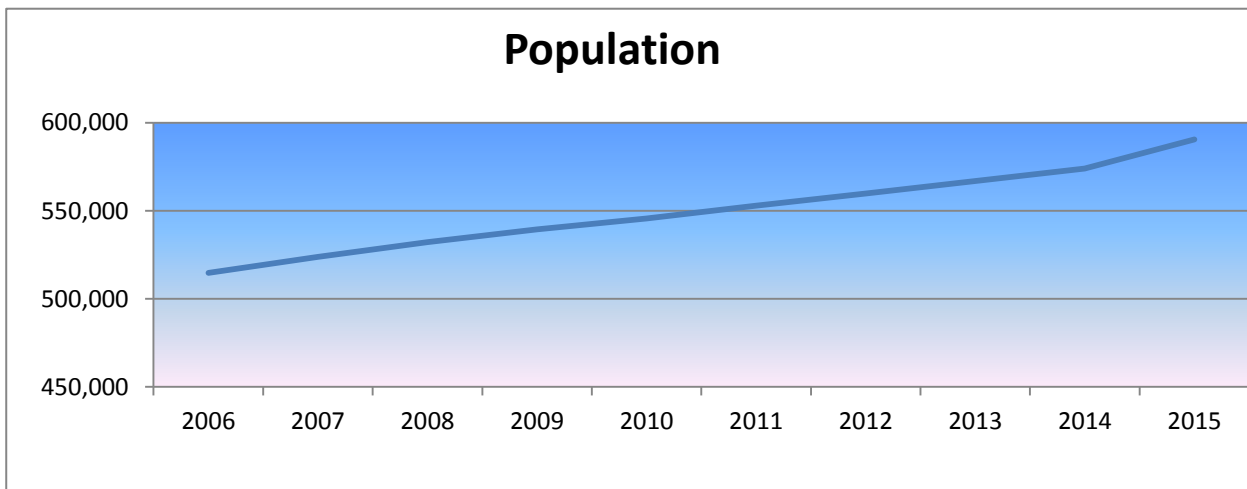


(1) Gross Revenue includes nonoperating investment earnings.

(2) Operating expenses do not include depreciation, amortization or interest expense.

**Johnson County, Kansas
Demographic Statistics
Last Ten Fiscal Years**

Year	Population (1)	Per Capita Income (1)	Median Age (1)	Personal Income(1) **	K-12 School Enrollment (2)
2015	590,604 *	\$ 63,790 *	37.00 *	\$ 36,312,007 *	104,721
2014	574,096	61,644	36.80	35,090,412	103,741
2013	566,933	60,068	36.70	34,193,285	103,260
2012	559,836	59,347	36.70	33,328,220	102,331
2011	552,874	56,619	36.50	31,383,424	101,899
2010	545,696	53,153	36.40	29,124,018	101,684
2009	539,396	52,988	35.70	28,693,786	100,020
2008	532,175	57,070	36.20	30,478,943	98,311
2007	523,879	53,909	36.00	28,337,531	96,991
2006	514,813	51,616	36.30	26,651,894	95,483



* County estimate based upon information from the Bureau of Economic Analysis

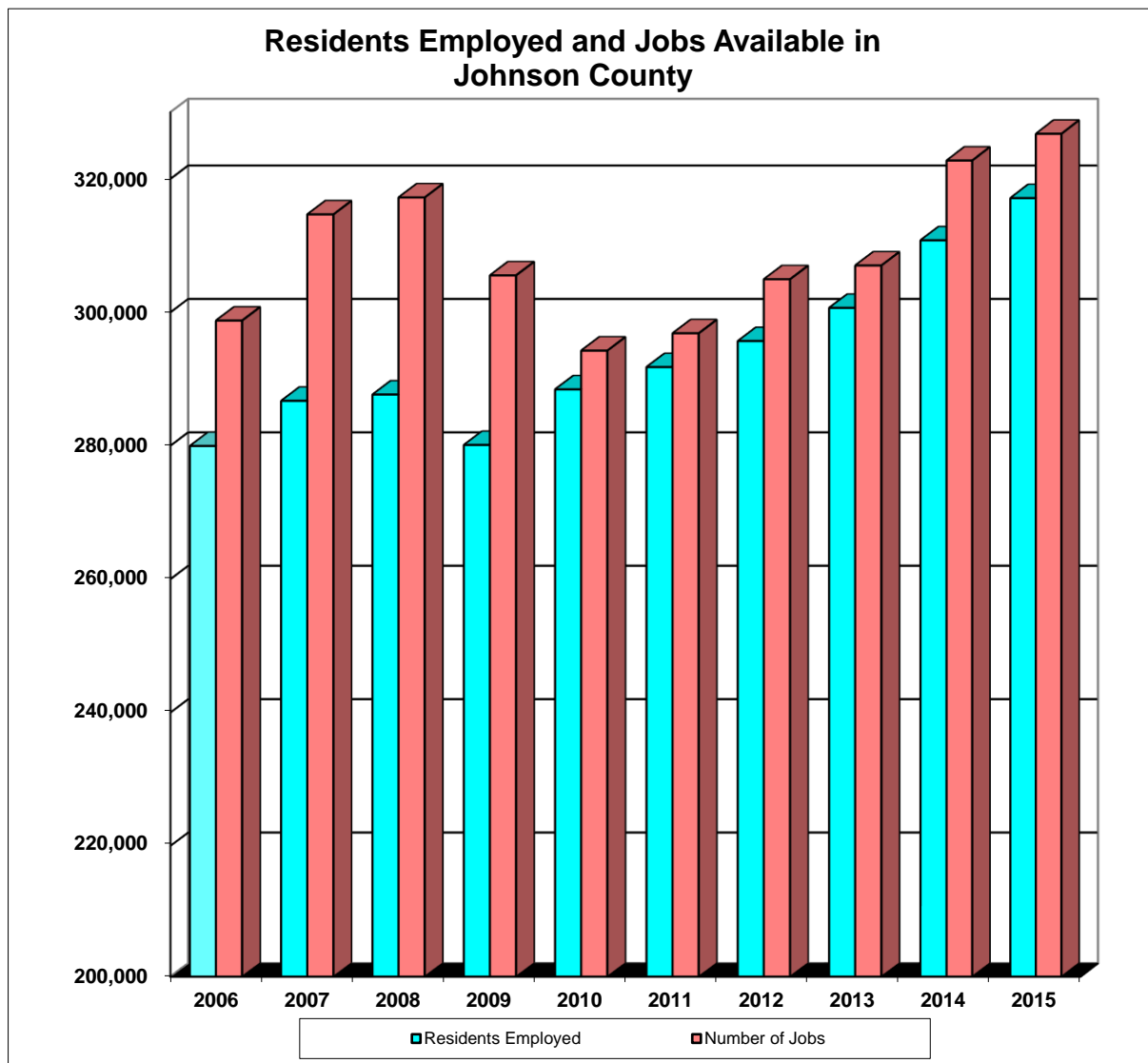
** In Thousands

(1) Bureau of Economic Analysis

(2) Kansas Department of Education

**Johnson County, Kansas
Demographic Statistics
Last Ten Fiscal Years**

Year	Residents Employed (1)	Unemployment Rate (1)	Number of Employers (2)	Number of Jobs (2)	Gross Payroll (2)
2015	317,137 *	2.90%	17,488 *	326,773 *	\$ 17,473,918,174 *
2014	310,804	3.10%	17,423	322,765	16,783,732,000
2013	300,681	4.30%	17,242	307,037	16,136,459,000
2012	295,710	4.60%	17,152	304,973	15,135,814,000
2011	291,805	5.40%	16,871	296,871	14,395,561,000
2010	288,469	6.10%	16,873	294,278	13,717,305,000
2009	280,131	6.50%	17,015	305,554	13,980,606,000
2008	287,691	4.60%	17,352	317,238	14,540,363,000
2007	286,748	4.10%	17,617	314,692	14,351,422,000
2006	279,977	4.10%	17,323	298,778	12,908,900,000



* Estimated based upon prior years data.

(1) U.S. Department of Labor Bureau of Labor Statistics.

(2) County Business Patterns, Bureau of the Census and Kansas Statistical Abstract

Johnson County, Kansas
Principal Taxpayers and Employers
December 31, 2015

Principal Taxpayers

Taxpayer	Type of Business	2015			2006		
		Assessed	Rank	Percentage of	Assessed	Rank	Percentage of
		Valuation		Total Assessed	Valuation		Total Assessed
Kansas City Power and Light	Utility	\$ 89,103,296	1	1.04%	\$ 67,738,104	2	0.88%
Oak Park Mall, LLC	Real Estate	79,239,646	2	0.92%	52,560,523	5	0.68%
UCM/SREP-Corporate Woods	Real Estate	59,280,594	3	0.69%	56,666,671	4	0.73%
Westar Energy	Utility	28,204,519	4	0.33%			
Leawood Town Center Plaza	Real Estate	25,331,000	5	0.29%	23,470,630	6	0.30%
Kansas Gas Service	Utility	22,624,637	6	0.26%			
BNSF	Transportation	21,663,458	7	0.25%			
Southwestern Bell	Telecommunications	20,565,528	8	0.24%	61,735,755	3	0.80%
KBSIII Park Place Village, LLC	Real Estate	19,355,506	9	0.23%			
Midwest Division-Oprmc, LLC	Pharmaceuticals	18,145,498	10	0.21%			
Sprint Corporation	Telecommunications				83,149,752	1	1.08%
Central Tennessee Hospital	Medical				17,033,813	10	0.22%
Highwoods Realty Limited	Real Estate				18,890,452	9	0.24%
Lenexa Industrial Park, Inc.	Real Estate				20,985,106	8	0.27%
Perg Building	Shopping Center				20,998,189	7	0.27%
Total		\$ 383,513,682		4.46%	\$ 423,228,995		5.47%

Source: Johnson County Clerk and Appraiser's Office

Principal Employers

Employer	Type of Business	2015			2006		
		Employees	Rank	Percentage of	Employees	Rank	Percentage of
		in County		Total Employment	in County		Total Employment
Sprint	Telecommunications	6,300	1	1.99%	12,751	1	4.55%
Olathe Unified School District	Public Education (K-12)	4,541	2	1.43%	3,328	3	1.19%
Shawnee Mission School District	Public Education (K-12)	3,974	3	1.25%	2,295	8	0.82%
Garmin International Inc	Communication Equip Mfg	3,684	4	1.16%	1,100	18	0.39%
Johnson County Government	Local Government	3,388	5	1.07%	3,774	2	1.35%
Blue Valley School District #229	Public Education (K-12)	3,313	6	1.04%	2,717	4	0.97%
Shawnee Mission Medical Center	Healthcare Services	3,060	7	0.96%	1,905	12	0.68%
Black & Veatch	Engineering Services	2,649	8	0.84%	2,560	5	0.91%
Hy-Vee Food Stores	Supermarkets & Other Grocery	2,509	9	0.79%			
Wal-Mart	Discount Department Store	2,474	10	0.78%			
Johnson Co Community College	Public Education (Junior College)	2,377	11	0.75%			
Olathe Health System	Healthcare Services	2,373	12	0.75%	2,319	7	0.83%
Farmers Insurance	Insurance	2,264	13	0.71%	1,323	15	0.47%
Price Chopper	Supermarkets & Other Grocery	2,223	14	0.70%			
OptumRX	Healthcare Services	2,000	15	0.63%			
Quest Diagnostics	Testing Laboratories	2,000	16	0.63%			
Kiewit Power Engineers	Engineering Services	1,476	17	0.47%			
Waddell & Reed Financial Inc	Investment Advice	1,350	18	0.43%			
Century Link	Telecommunications	1,300	19	0.41%			
Reece & Nichols	Real Estate Agents & Brokers	1,266	20	0.40%			
YRC Worldwide Inc	Transportation				1,224	17	0.44%
Embarq	Telecommunications				2,545	6	0.91%
United Parcel Services	Parcel Post				2,280	9	0.81%
Deffenbaugh Industries	Refuse Disposal				1,533	13	0.55%
LabOne	Laboratory Testing				1,970	11	0.70%
Honeywell International	Electronic Aviation Equipment				990	20	0.35%
TransAm Trucking Inc	Transportation				1,415	14	0.51%
Terracon Co	Engineering Services				2,000	10	0.71%
J.C. Penney	Retail Store/Catalog Operations				1,273	16	0.45%
City Of Olathe	City Government				1,000	19	0.36%
Total		54,521		17.19%	50,302		17.95%

Source: Above company information verified in at least two of the following sources.

[Dun & Bradstreet Million Dollar Database](#)

[Reference USA Online Business Directory](#)

[Sorkins Online Directory of Business & Government](#)

[Directory of Major Johnson County Employers 2015](#), CER1, Overland Park, KS c. 2015

Johnson County, Kansas
Operating Indicators by Function/Program
Last Ten Fiscal Years

		Fiscal Year									
		2006	2007	2008	2009	2010	2011	2012	2013	2014*	2015*
GOVERNMENTAL ACTIVITIES:											
General Government											
Appraiser	Number of parcels appraised per year	240,904	241,450	239,705	243,540	246,091	244,287	240,983	264,782	241,576	246,547
Elections/Registration	Number of voter registration applications processed	52,486	62,411	126,118	40,000	113,506	67,701	163,101	72,497	98,757	64,731
Public Safety											
Public Safety Communication	Calls dispatched for Fire and EMS units	41,629	44,240	45,745	44,445	48,959	51,906	52,595	51,949	53,867	54,406
Sheriff	Number of persons screened for entry into courthouse	652,126	671,690	631,588	601,155	631,731	589,377	562,645	538,101	413,116	421,380
	Inmates booked	17,831	19,079	17,637	17,732	16,616	15,660	15,411	15,054	14,966	15,270
	Number of calls for service (patrol)	49,972	45,934	41,814	56,642	46,098	43,635	41,915	41,542	42,968	43,830
	Number of calls for service (dispatch) (1)	173,732	231,049	226,385	247,855	312,548	316,444	316,442	310,339	293,921	299,800
	Number of 911 calls received (1)	38,339	43,492	41,352	50,793	90,677	92,823	95,563	90,633	81,080	82,700
Emergency Management	Number of households receiving information annually	28,000	28,000	28,000	30,000	28,000	30,000	30,000	---	---	---
	Number of persons trained	800	900	900	900	1,600	1,600	1,600	---	---	---
	Number of radios on trunked radio systems	1,719	1,752	1,788	1,887	3,377	7,409	7,409	7,709	8100	8200
	Number of community education & outreach events conducted	---	---	---	---	---	---	30	50	24	27
	Number of Med-Act emergency events answered	---	---	---	---	---	34,843	35,411	35,411	37,195	38,300
Health and Human Services											
Health and Environmental	Number of visitors to the department's website (3)	---	---	---	---	---	---	---	---	---	74,566
	Number of new visitors to the department's website (3)	---	---	---	---	---	---	---	---	---	40,594
	Number of times public accesses the department's internet home page	175,758	193,333	86,000	86,860	78,905	67,511	69,846	63,388	63,635	---
	Number of County citizens accessing services	39,704	39,825	34,501	49,835	40,456	41,670	36,539	46,532	44,731	43,163
Human Services	Number of home-delivered meals	150,782	139,266	209,388	219,587	218,345	204,813	180,124	176,471	197,273	197,500
	Number of households provided rental assistance	1,387	1,403	1,456	1,533	1,756	1,696	1,815	1,782	1,810	1,700
Culture and Recreation											
Library Operating	Number of volunteer hours in support of Library	31,208	38,065	36,312	41,677	46,373	48,776	53,535	51,559	52,973	54,481
Museum	Number of Museum visitors	98,852	113,679	97,792	92,774	85,707	99,656	117,388	123,282	132,873	136,093
BUSINESS-TYPE ACTIVITIES:											
Transportation											
	Total annual ridership (transit/paratransit)	400,188	491,123	625,753	578,818	577,965	624,101	670,205	636,241	613,638	594,000
	Number of total miles all vehicles travel per day	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,700	8,700

Source: County Budget book and various department data

* Some 2014 numbers estimated. All 2015 numbers are estimates.

Note: Indicators for Public Works, Planning and economic development, Airport, Wastewater, and Public Building Commission are not available.

(1) In mid-2010, the County took over Olathe dispatch calls causing the spike in the call volume.

(2) --- Data are not available

(3) During 2014 individual department websites were consolidated under the Countywide JoCoGov.org domain. Due to this, revised website activity indicators were implemented in 2015.

Johnson County, Kansas
Capital Asset Statistics by Function
Last Ten Fiscal Years

		Fiscal Year									
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES:											
<u>General Government</u>											
	Department of Motor Vehicle buildings	2	2	2	2	2	2	2	2	2	2
<u>Public Works</u>											
	Miles of hard surface pavement	279	275	252	256	246	246	239	245	237	242
	Miles of gravel surface	234	237	224	220	214	214	192	186	185	179
<u>Public Safety</u>											
	Med-Act Stations	17	17	17	17	17	17	17	17	17	17
	Jails	2	2	2	2	2	2	2	2	2	2
	Courthouse	1	1	1	1	1	1	1	1	1	1
<u>Health and Human Services</u>											
	Community Assistance Centers	6	6	6	6	6	6	6	6	6	6
<u>Culture and Recreation</u>											
	Number of Libraries	13	13	13	13	13	13	13	13	13	13
	Museums	3	3	3	3	3	3	3	3	3	3
	Parks	20	20	20	20	20	20	19	18	18	18
BUSINESS-TYPE ACTIVITIES:											
<u>Airport</u>											
	Number of Airports	2	2	2	2	2	2	2	2	2	2
<u>Johnson County Wastewater</u>											
	Total existing footage of sewer line	10,913,138	11,099,933	11,221,232	11,169,668	11,553,225	12,516,386	11,619,262	11,662,083	11,729,245	11,884,995
	Total existing sewer permits	112,630	113,951	114,768	114,832	115,597	116,375	116,713	118,320	119,633	119,672
	Water Treatment Plants	7	7	7	7	7	7	6	6	6	6
<u>Transportation</u>											
	Approximate Total of County Public Transportation Vehicles	100	100	100	100	100	100	100	100	90	90

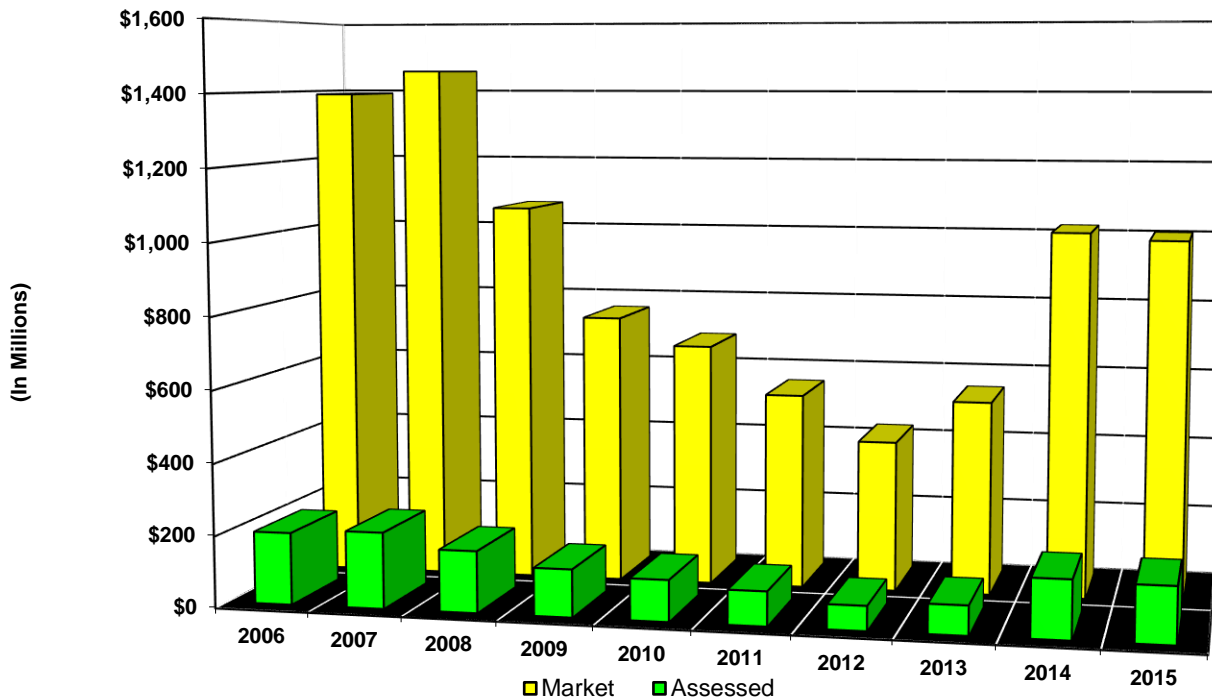
Source: County Budget book and various department data

Note: Indicators for Planning and economic development and Public Building Commission are not available.

Johnson County, Kansas
Value of New Construction
Last Ten Fiscal Years

Year	Estimated Market Value Residential	Estimated Market Value Commercial	Assessed Value of New Residential Construction	Assessed Value of New Commercial Construction	Number of Residential Units	Number of Commercial Units
2015	\$ 697,394,660	\$ 302,738,910	\$ 80,200,429	\$ 75,684,760	1,835	148
2014	686,017,360	332,466,050	78,892,015	83,116,545	1,722	154
2013	404,816,800	138,868,770	46,553,915	34,717,223	1,356	115
2012	279,751,350	143,985,280	32,171,408	35,996,347	971	105
2011	309,558,000	239,354,260	35,599,202	59,849,369	990	122
2010	412,014,980	269,793,410	47,381,751	67,475,931	1,635	186
2009	441,090,900	316,355,810	53,713,313	78,812,125	1,957	274
2008	704,475,030	363,696,740	81,014,717	90,737,363	3,394	296
2007	1,125,588,542	332,491,034	129,443,110	83,132,723	5,809	235
2006	1,085,036,091	307,003,462	124,795,223	76,542,333	6,626	243

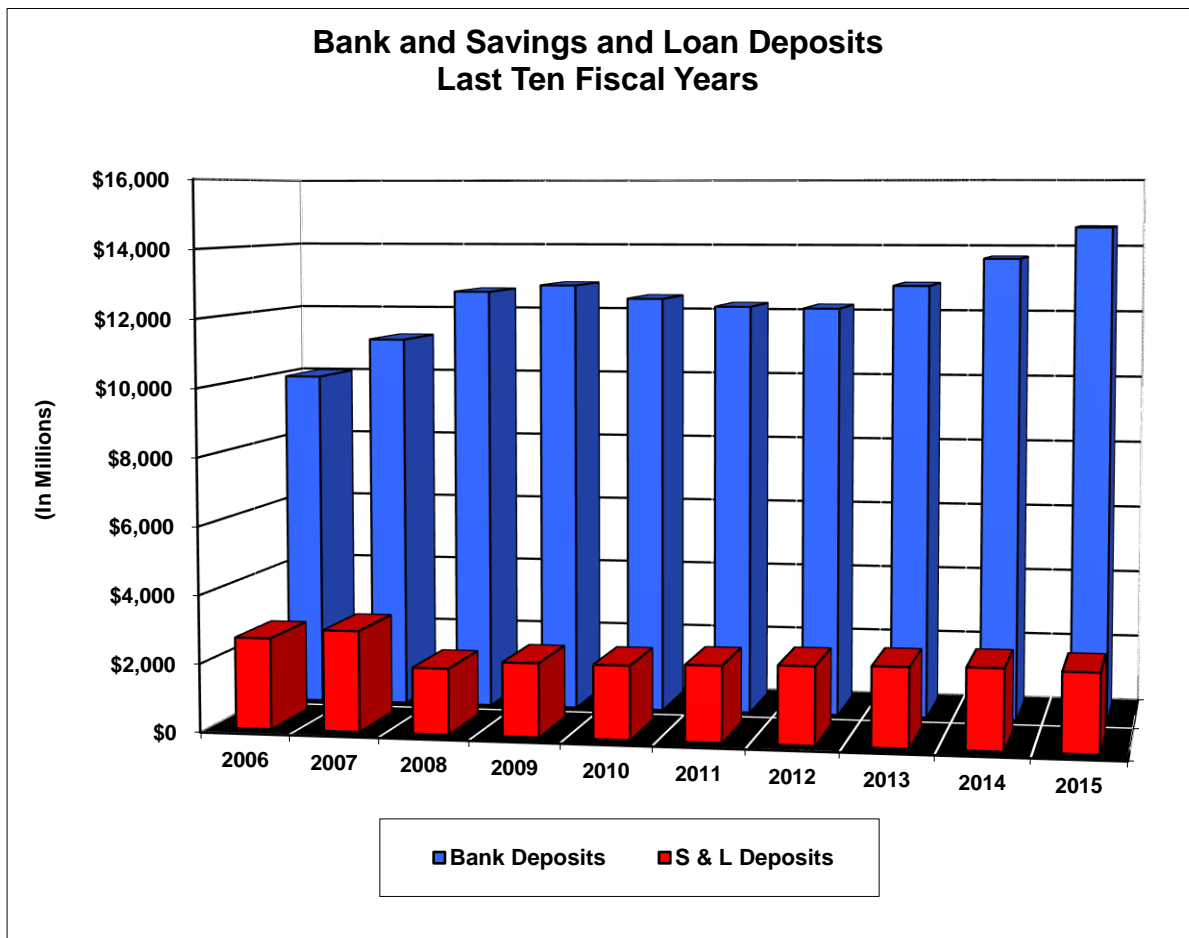
Market and Assessed Valuation for New Construction
Last Ten Fiscal Years



Source: Johnson County Appraiser

Johnson County, Kansas
Bank and Savings and Loan Deposits
Last Ten Fiscal Years

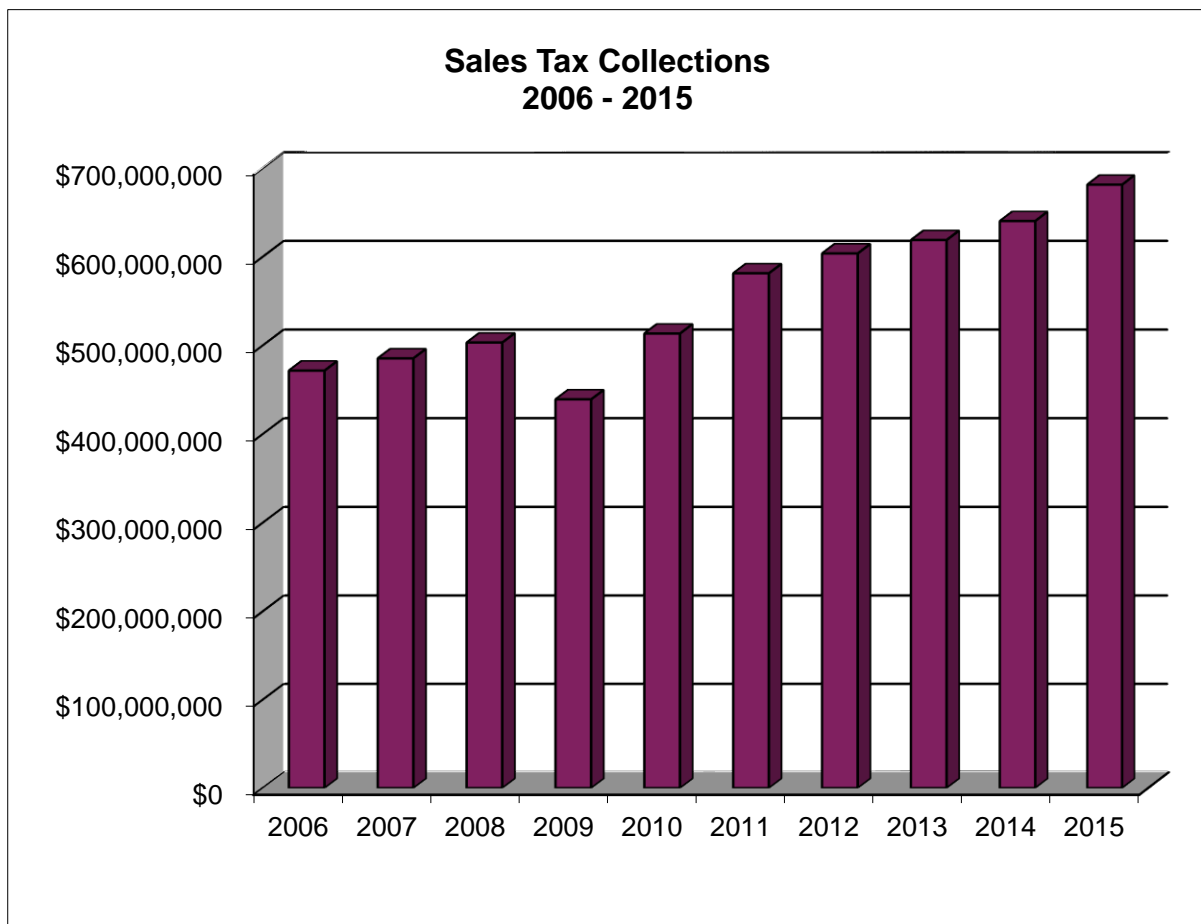
Year	Commercial Banks (1)		Savings & Loan Associations (1)	
	Number of Institutions	Deposits at June 30	Number of Offices	Deposits at June 30
2015	58	\$ 14,601,000,000	26	\$ 2,305,000,000
2014	55	13,678,000,000	26	2,355,000,000
2013	57	12,868,000,000	25	2,319,000,000
2012	60	12,182,000,000	25	2,271,000,000
2011	62	12,221,000,000	28	2,217,000,000
2010	59	12,443,000,000	31	2,148,000,000
2009	59	12,831,000,000	32	2,147,000,000
2008	57	12,627,000,000	29	1,920,000,000
2007	55	11,158,000,000	33	2,947,000,000
2006	54	10,005,000,000	30	2,671,000,000



(1) Federal Deposit Insurance Corporation.

Johnson County, Kansas
Gross Sales and Sales Tax Collections
Last Ten Fiscal Years

Year	Gross Sales	Increase (Decrease) Over 2006 Base	Increase (Decrease) Over Previous Year	Sales Tax Collections	Increase (Decrease) Over 2006 Base	Increase (Decrease) Over Previous Year
2015	\$20,344,258,077	13.28%	4.04%	\$681,485,916	44.44%	6.40%
2014	19,554,559,954	8.88%	6.90%	640,502,450	35.75%	3.46%
2013	18,291,596,707	1.85%	2.78%	619,060,573	31.21%	2.50%
2012	17,797,465,950	-0.90%	0.69%	603,983,852	28.01%	3.85%
2011	17,676,256,038	-1.58%	2.31%	581,574,152	23.26%	13.23%
2010	17,277,764,708	-3.79%	5.36%	513,604,956	8.85%	16.90%
2009	16,398,273,736	-8.69%	-12.99%	439,369,571	-6.88%	-12.73%
2008	18,847,164,942	4.94%	1.76%	503,453,890	6.70%	3.67%
2007	18,521,838,590	3.13%	3.13%	485,638,096	2.93%	2.93%
2006	17,959,207,000			471,825,678		



Source: Kansas Department of Revenue
State Planning & Research

* State sales tax rate increased from 6.15% to 6.5% starting July 1, 2015.

Johnson County, Kansas
Payroll By Industry
and
Tax Rates for Selected Kansas Counties
December 31, 2015

Payroll By Industry

Type of Industry	Number of Employees	Number of Firms	Gross Payroll
Manufacturing and Mining	21,074	499	\$ 1,153,895,000
Utilities	526	15	47,214,000
Contract Construction	14,341	1,397	864,835,000
Transportation and Warehousing	14,010	329	533,324,000
Wholesale Trade	21,203	1,306	1,361,968,000
Retail Trade	36,227	1,848	977,849,000
Finance, Insurance and Real Estate	32,984	2,667	2,371,999,000
Information	22,848	425	2,100,554,000
Professional, Scientific and Technical Services	27,677	2,685	2,099,166,000
Management and Administrative Support Services	37,187	1,321	1,828,190,000
Social Assistance and Educational Services	43,033	2,008	1,936,345,000
Accommodation and Food Services	26,774	1,187	421,113,000
Other Services	12,425	1,278	345,112,000
Arts, Entertainment and Recreation	4,572	244	93,786,000
Agriculture, Forestry, Fishing and Hunting	14	6	319,000
Industries not classified	21	27	790,000
Total	<u>314,916</u>	<u>17,242</u>	<u>\$ 16,136,459,000</u>

Source: U.S. Census Bureau

Excludes government employees and self-employed individuals.

2015 Tax Rates for Selected Kansas Counties (1)

Lowest Tax Rates			Highest Tax Rates		
Rank	County Name	Tax Rate *	Rank	County Name	Tax Rate *
1	Johnson	19.582	96	Republic	104.828
2	Pottawatomie	26.409	97	Woodson	108.275
3	Sedgwick	29.383	98	Cheyenne	109.543
4	McPherson	30.286	99	Jewell	115.957
5	Butler	35.012	100	Morton	116.259
6	Ellis	36.675	101	Lincoln	120.014
7	Brown	36.923	102	Greeley	121.684
8	Leavenworth	37.127	103	Hamilton	123.220
9	Riley	38.267	104	Stanton	129.054
10	Saline	38.275	105	Smith	131.503

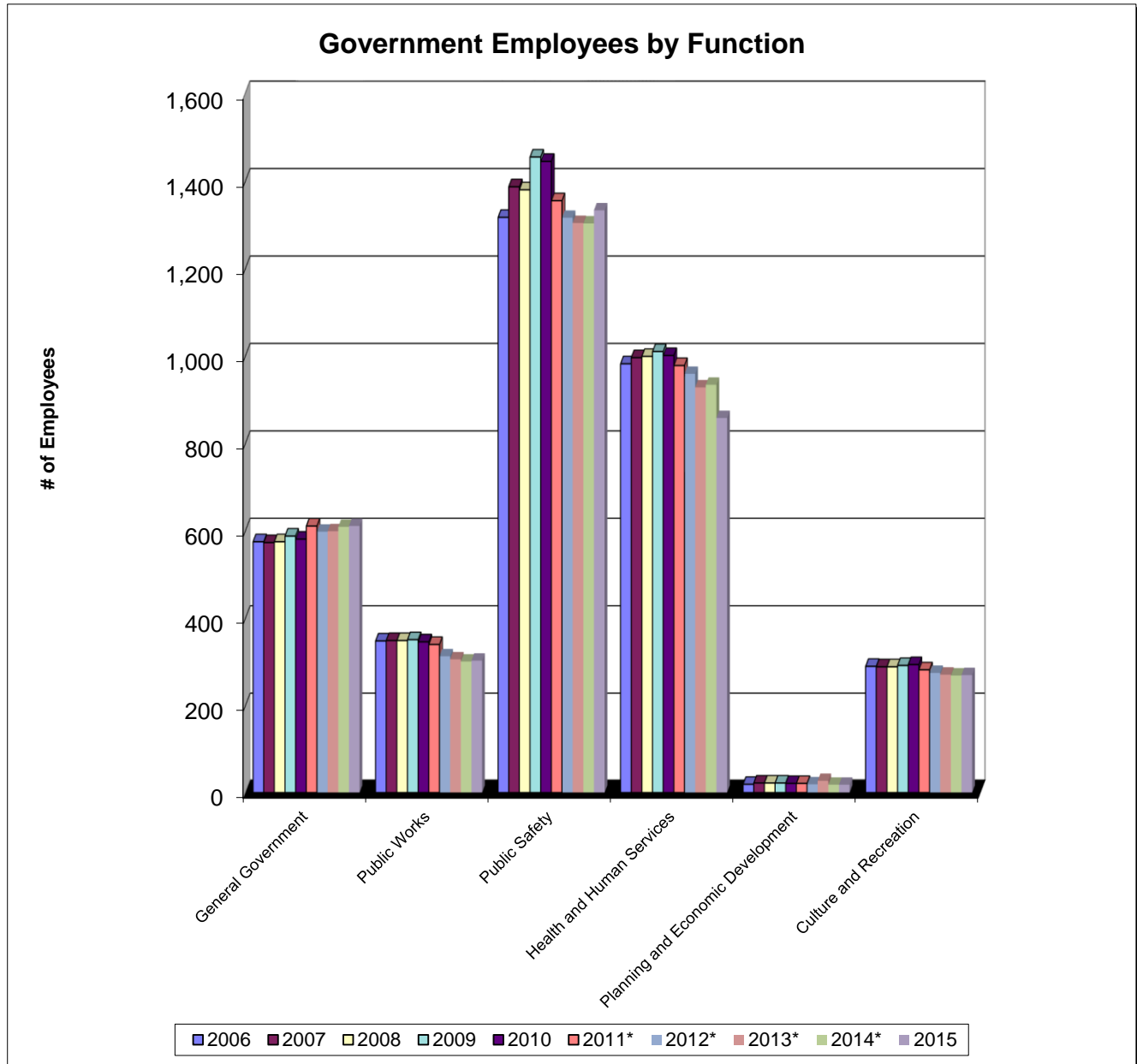
Source: League of Kansas Municipalities

* Per \$1,000 assessed valuation

(1) Taxes levied in 2015 are due December 21, 2015 but may be paid 50% by December 21, 2015 and 50% by May 10, 2016.

Johnson County, Kansas
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011*	2012*	2013*	2014*	2015
General Government	576	574	576	589	582	612	599	600	610	612
Public Works	349	350	350	352	347	341	314	307	302	304
Public Safety	1,318	1,388	1,381	1,456	1,446	1,356	1,317	1,305	1,304	1,334
Health and Human Services	983	997	1,000	1,011	1,002	979	960	929	935	859
Planning and Economic Development	19	22	22	22	21	21	19	27	18	18
Culture and Recreation	291	290	290	293	295	283	276	272	270	271
Total	3,536	3,621	3,619	3,723	3,693	3,592	3,485	3,440	3,439	3,398

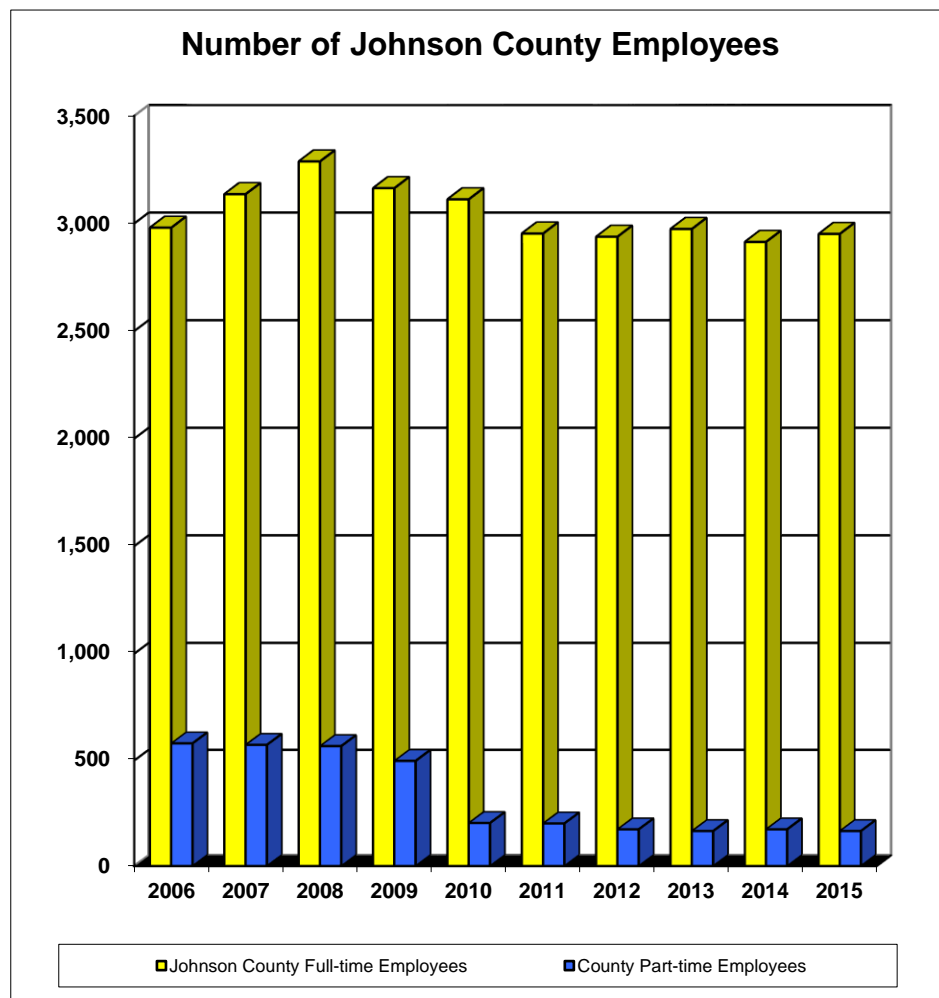


*Twenty unfunded FTE positions have been added to the annual budget for countywide use since 2011. These additional FTE's are reset each budget cycle so there is no cumulative effect. For years 2011-2014 the additional FTE's were reported under "Planning and Economic Development". Beginning in 2015 the additional FTE's will be reported under "General Government" given their designation for countywide use. 2011-2014 historical amounts for both functions have been re-stated accordingly.

Source: County Budget Department

**Johnson County, Kansas
Number of Employees
Last Ten Fiscal Years**

<u>Year</u>	<u>Number of Johnson County Full-time Employees</u>	<u>Number of Johnson County Part-time Employees</u>
2015	2,952	166
2014	2,915	174
2013	2,975	166
2012	2,939	174
2011	2,954	202
2010	3,113	204
2009	3,165	499
2008	3,289	569
2007	3,137	575
2006	2,981	582



Source: Johnson County Payroll System.

**Johnson County, Kansas
County Road System
and
Johnson County Wastewater Statistics**
December 31, 2015

County Road System

<u>Pavement</u>	<u>Area</u>
Hard surface 242 miles	480 square miles
Gravel surface 179 miles	
Total miles: <u>420 miles</u>	

Source: Johnson County Public Works

Johnson County Wastewater

<u>Sewer District</u>	<u>Footage of Sewer Line</u>		<u>Sewer Permits</u>	
	<u>Added in</u>	<u>Total</u>	<u>Issued in</u>	<u>Total</u>
	<u>2015</u>		<u>2015</u>	
Blue River Main	55,838	1,586,563	476	14,640
Douglas L Smith/Middle Basin	1,028	957,370	22	11,182
Kansas City, Missouri	1,651	2,145,257	58	1,488
Mill Creek Regional	26,465	2,820,207	516	20,124
Mission Main	(1,266)	1,387,861	66	18,757
New Century Air Center	6,923	120,334	27	494
Tomahawk	4,438	1,573,224	162	36,081
Turkey Creek	533	1,294,179	25	16,906
TOTAL	<u>95,610</u>	<u>11,884,995</u>	<u>1,352</u>	<u>119,672</u>

Source: Johnson County Wastewater

Johnson County, Kansas
Summary of Insurance in Force
December 31, 2015

Company	Term	Coverage	Liability
Factory Mutual Ins. Co.	01/01/15 - 01/01/16	Mobile Construction Equipment and Radio Equipment	\$ 23,434,488
Factory Mutual Ins. Co.	01/01/15 - 01/01/16	EDP Equipment incld Telephone Equipment	21,733,468
Factory Mutual Ins. Co.	01/01/15 - 01/01/16	Voting Machines	6,069,550
Factory Mutual Ins. Co.	01/01/15 - 01/01/16	Emergency Equipment	5,340,729
Factory Mutual Ins. Co.	01/01/15 - 01/01/16	Fine Art - Museum	6,270,487
Factory Mutual Ins. Co.	01/01/15 - 01/01/16	Real & Personal Property	806,361,995
Factory Mutual Ins. Co.	01/01/15 - 01/01/16	Boiler & Machinery	Included
Nova Casualty Company	01/01/15 - 01/01/16	Law Enforcement Professional Liability – Sheriff’s Operations (1)	1,000,000
Nova Casualty Company	01/01/15 - 01/01/16	Law Enforcement Professional Liability – Sheriff’s Operations (2)	2,000,000
National Fire Ins. Co. of	04/12/15 - 04/12/16	Premises & Professional Liability - Dept of Corrections Adult Services (1)	500,000
National Fire Ins. Co. of	04/12/15 - 04/12/16	Premises & Professional Liability - Dept of Corrections Adult Services (2)	1,000,000
National Fire Ins. Co. of	07/01/15 - 07/01/16	Premises & Professional Liability – Dept of Corrections Juvenile Detention (1)	1,000,000
National Fire Ins. Co. of	07/01/15 - 07/01/16	Premises & Professional Liability – Dept of Corrections Juvenile Detention (2)	2,000,000
Self-Insured	01/01/15 - 01/01/16	Workers’ Compensation & Employers Liability (3)	500,000
Safety National Casualty Corp.	01/01/15 - 01/01/16	Workers’ Compensation Specific Excess - Self-Insured Retention	Statutory Limit
Safety National Casualty Corp.	01/01/15 - 01/01/16	Employers’ Liability (3)	1,000,000
Hartford Ins. Group	08/26/15 - 08/26/16	Public Official Bond - County Treasurer	1,750,000
Liberty Mutual Ins. Co.	01/01/15 - 01/01/16	Public Official Bond - Health Officer	1,000
Liberty Mutual Ins. Co.	11/15/15 - 11/15/16	Public Official Bond - County Engineer	2,500
Liberty Mutual Ins. Co.	01/14/15 - 01/14/16	Public Official Bond - Sheriff	10,000
Hartford Fire Ins. Co.	01/01/15 - 01/01/16	Public Employees Blanket Bond & Faithful Performance Bond (1)	1,500,000
Hartford Fire Ins. Co.	01/01/15 - 01/01/16	Crime - Theft Disappearance and Destruction (1)	2,000,000
Travelers	01/01/15 - 01/01/16	Fiduciary Liability (1)	1,000,000
Philadelphia Ins. Co.	01/01/15 - 01/01/16	Premises & Professional Liability - JCDS (1)	1,000,000
Philadelphia Ins. Co.	01/01/15 - 01/01/16	Premises & Professional Liability – JCDS (2)	3,000,000
Philadelphia Ins. Co.	01/01/15 - 01/01/16	Premises & Professional Liability - Adolescent Center for Treatment (1)	1,000,000
Philadelphia Ins. Co.	01/01/15 - 01/01/16	Premises & Professional Liability - Adolescent Center for Treatment (2)	3,000,000
Old Republic Ins. Co.	01/01/15 - 01/01/16	Airport Liability (1),(2)	10,000,000
Genesis Ins. Co.	01/01/15 - 01/01/16	Excess Automobile Liability - Self-Insured Retention: \$350,000 (3),(4)	500,000
Genesis Ins. Co.	01/01/15 - 01/01/16	Excess General Liability - Self-Insured Retention: \$350,000 (1),(3)	500,000
Genesis Ins. Co.	01/01/15 - 01/01/16	Excess General Liability - Self-Insured Retention: \$350,000 (2)	1,000,000
Genesis Ins. Co.	01/01/15 - 01/01/16	Public Officials E&O incld – Employment Practices Liability Self-insured Retention: \$350,000 (1)	1,000,000
Genesis Ins. Co.	01/01/15 - 01/01/16	Public Officials E&O incld – Employment Practices Liability Self-insured Retention: \$350,000 (2)	2,000,000
Philadelphia Ins. Co.	01/01/15 - 01/01/16	Professional Liability - Mental Health (1)	1,000,000
Philadelphia Ins. Co.	01/01/15 - 01/01/16	Professional Liability - Mental Health (2)	3,000,000
Medical Protective Co.	01/01/15 - 01/01/16	Professional Liability - Dept of Health & Environment(1)	1,000,000
Medical Protective Co.	01/01/15 - 01/01/16	Professional Liability - Dept of Health & Environment (2)	3,000,000
Essex Ins. Co.	01/01/15 - 01/01/16	Switch Engine Physical Damage	1,089,312
Steadfast Ins. Co.	01/01/15 - 01/01/16	Switch Engine Liability (1)	1,000,000
Steadfast Ins. Co.	01/01/15 - 01/01/16	Switch Engine Liability (2)	3,000,000
Navigators Specialty Ins.	01/01/15 - 01/01/16	Data Security/Cyber Liability (1),(2)	1,000,000
Ace American Ins. Co.	04/04/15 - 04/04/16	Storage Tank Liability (5),(2)	1,000,000
Beazley Furlong	6/30/15 - 6/30/16	Contractor’s Pollution Liability – Weatherization Program (5),(2)	500,000

(1) per occurrence, (2) aggregate, (3) combined single limit and (4) each accident

Source: Johnson County Risk Management